

**Office of the Assistant Inspector General for  
Auditing**

**Department of Defense**

**Audit and Evaluation Plan  
FY 2001**

As of May 31, 2001



\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999

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# ***TABLE OF CONTENTS***

## **Part I: Summaries of Planned Audits and Evaluations (By Issue Area)**

### **Finance and Accounting**

Financial Statement Audits for FY 2000 (Multiple).....	1
DoD Funds Expended on the National Drug Control Strategy (D2000LH-0241).....	1
Audit of Demographic Data Supporting FY 1999 DoD Audit of the FY 2000 DoD-Wide Inventory Accounts (0FJ-2102).....	1
Department of Defense Financial Reporting of Operating Materials and Supplies (0FJ-2103) .....	2
Financial Reporting of DoD Property in the Possession of Contractors for DoD Financial Statements (0FA-2123) .....	2
*IG, DoD Oversight of FY2000 Contractor Efforts on the Valuation of DoD Personal Property Assets (D2000FH-0097) .....	2
*Audit of the Defense Working Capital Funds Net Operating Results (D2000FJ-0105).....	2
*Audit of the FY 2000 DoD Payroll Withholding Data (D2000FH-0130) .....	3
*Audit of Consolidation of Financial Data Supporting the FY 2000 Financial Statements for Other Defense Organizations (D2000FA-0146) .....	3
*Audit of Controls over Tax Identification Numbers (D2000FI-0151).....	3
*Request for Assistance to Evaluate Controls Over Funds (D200LA-0192).....	3
*Audit of Journal Entry and Other Adjustments to U.S. Transportation Command Data in the FY2000 DoD Agency-wide Financial Statements (D2000FD-0205).....	3
*Audit of the Military Retirement Fund Financial Statements for FY 2000 (D2000FH-0233).....	4
*Audit of the Controls Over the Computerized Accounts Payable System (D2000FI-0248) .....	4
*Audit of Hotline Allegations of Improper Accounting for the Defense Information Systems Agency Working Capital Fund (D2000FC-0249).....	4
*Audit of the Prevalidation of Payments Made for Navy Shipyards (D2001FI-0250) .....	4
*Audit of Revised DoD Progress Payment Practices (D2000FJ-0261) .....	4
*Audit of Air Force Working Capital Fund Accounts Receivable (D2000FD-0254) .....	4
*Audit of the FY2000 Department of the Navy Working Capital Fund Financial Statements (D2000FC-0279).....	5

*Audit of Controls Over the Transition from the Mechanization of Contract Administration Services (MOCAS) System to the Defense Procurement Payment System (DPPS) (D2000FJ-0268) .....	5
*Audit of the Department of Defense Financial Reporting of Operating Materials and Supplies for FY 2000 (D2000FJ-0002) .....	5
*Audit of the FY 2000 Department of the Navy General Fund Financial Statements (D2000FC-0283) .....	5
*Audit of the Defense Health Funds TRICARE (D2000FD-0256) .....	6
Financial Statement Audits for FY 2001 (Multiple) (D2001FI-0036) .....	6
Summary of Financial Audits on General and Application/Security Controls (D2001FG-0049) .....	6
Audit of the Inventory and Control of Department of Defense Military Equipment, P.L. 106-65, sec 363 (D2001FH-0004) .....	7
Audit of DoD Consolidated Financial Statements Stewardship Reporting for FY 2000 (D2001FH-0005) .....	7
Audit of the Data Supporting the DoD Environmental Liability Line Item on FY 2000 Financial Statements (D2001FC-0007) .....	7
Audit of FY 2000 DoD Superfund Financial Transactions (D2001FJ-0003) .....	7
Audit of the FY2001 DoD-wide Inventory Accounts (D2001FJ-0019) .....	7
Audit of the Compilation of FY 2000 Financial Statements for The Air Force and Other Defense Organizations (D2001FD-0014) .....	8
Audit of the Compilation of Financial Data for Other Defense Organizations Into the FY 2000 DoD AgencyWide Financial Statements (D2001FA-0016) .....	8
Audit of the FY 2000 DoD Agency-wide Financial Statements (D2001FI-0018) .....	8
Audit of the FY 2000 Corps of Engineers, Civil Works, Financial Statements (D2001FI-0034) .....	8
Audit of the FY 2000 U.S. Army Corps of Engineers Obligations For DoD Component Contracts (D2001FI-0024) .....	9
Audit of the FY 2000 Army Working Capital Fund Financial Statements (D2001FI-0035) .....	9
Audit of the FY 2000 Army General Fund Financial Statements (D2001FI-0036) .....	9
Audit of Financial Reporting of DoD-Owned Property held By Contractors (D2001FA-0037) .....	10
Audit of the Military Retirement Health Benefits Liability Estimate (D2001FA-0026) .....	10
Audit of DoD Wide Area Workflow Development, Implementation, and Security (D2001FG-0039) .....	10

Audit of the Unified Combatant Commands' Reporting Of Real and Personal Property Assets on the DoD Agency-Wide Financial Statements for FY 2000 (D2001FH-0044).....	10
Audit of the Pentagon Reservation Maintenance Revolving Fund Construction in Progress and Real Property Accounts (D2001FH-0045).....	10
Audit of the DoD Fund Balance with Treasury Account (D2001FD-0048) .....	11
Audit of Obligations and Disbursements for Contract No. FA2550-96-C-003 (D2001CF-0054) .....	11
Evaluation of the Effect of the Raytheon Defense Business Acquisitions on Pension Plans and DoD Funded Pension Assets (D2001PT-0060) .....	11
Audit of the Promptness of DoD Payments to the United States Treasury for Water and Sewer Services (D2001FA-0070).....	11
Audit of Controls Over the DoD Purchase Card Program (D2001-FG-0068).....	11
Audit of the Advanced Sensor Applications Program Joint Project (D2001FD-0265).....	11
Audit of the DoD's Implementation of the Statement of FFAS No. 10 "Accounting for Internal Use Software" (D2001FH-0079) .....	12
Audit of Financial Reporting at Accounting Offices Supporting the Other Defense Organizations-General Funds and Working Capital Funds (D2001FA-0086).....	12
Audit of DoD Financial and Feeder Systems Compliance Process (D2001FG-0085).....	12
Audit of Controls Over FY 2001 Air Force Disbursements Reported by U.S. Transportation Command, Transportation Component Commands (D2001FD-0083).....	12
Audit of DoD Accounts Payable in the Navy General Fund (D2001FD-0093).....	12
Audit of the Defense Intelligence Systems Support Office's Management of Travel, Other Funds, and Contract Policies (D2001AL-0096).....	13
Audit of Controls Over the DoD Government Travel Card Program (D2001FG-0103) .....	13
Audit of Reporting the Cost of Military Personnel Assigned to Defense Agencies Required to Prepare Financial Statements (D2001FC-0110).....	13
Audit of the FY 2001 AF General Fund Financial Statements (D2001FD-0112).....	13
Audit of the FY 2001 DoD Payroll Withholding Data (D2001FH-0118).....	13
Audit of the FY 2001 DoD Agency-Wide Financial Statement's Accounts Receivable (D2001FI-0115).....	13

Audit of Procedures for Paying and Resolving Delinquent GSA Bills for DoD Customers (D2001FI-0026) .....	14
---	----

## **Information Technologies Resources**

*Audits of Year 2000 Conversion Issues (Multiple).....	15
*Acquisition Management of Automated Information Systems (0AL-P002) .....	15
*Audit of Information Technology General Controls for the Defense Joint Military Pay System (0FG-2119) .....	16
*Audit of Information Technology General Controls for the Defense Civilian Pay System (0FG-2120) .....	16
*Evaluation of Information Assurance at Central Design Activities (0PT-0112).....	16
*Audit on the Security Controls of Electronic Data Access and Electronic Data Interchange (0FG-5106) .....	16
*Audit of the Development of the Defense Finance and Accounting Service Corporate Database (0FG-0116).....	16
*Audit of the Security Posture of the Unclassified but Sensitive Internet Protocol Router Network (0AS-0118) .....	17
*Audit of the Defense Clearance and Investigations Index Database (D2000AD-0132).....	17
*Audit of the Defense Security Service Program Management of the Case Control Management System (D2000AL-0159) .....	17
*Audit of Allegations on the Defense Security Assistance Management System (D2000FG-0162) .....	17
*Audit of the Defense Environmental Security Corporate Information Management Program Activities (D2000AS-0207).....	17
*Audit of the Process Used to Certify that A.I. Systems are Managed In Accordance with the Clinger-Cohen Act (D2000AS-0212) .....	17
*Audit of the Navy Marine Corps Intranet (D2000AS-0260).....	18
Information Assurance for Automated Information Systems (D2001AS-0011).....	18
Operational Test and Evaluation of Software Systems (2001-D000AB-0026).....	18
Acquisition Management of Automated Information Systems (2001-D000AL-0001) .....	18
Application of Y2K Lessons Learned (2001-D000AS-0006).....	18
Audit of the Powered Low Cost Autonomous Attack System Advanced Technology Demonstration (D2001AB-0021).....	19
Audit of Information Technology Equipment Management, Office of Secretary of Defense (D2001FA-0040) .....	19
Audit of the Implementation of DoD Public Key Infrastructure Policy and Procedures (D2001AS-0008).....	19

Audit of the Implementation of the Government Information Security Reform Act (D2001AD-0071) .....	19
Audit of the DoD's Internet Access Practices and Policies (D2001AB-0065) ..	19
Audit of the Standard Procurement System Functionality, Implementation, and Control (D2000FG-0091) .....	19
Audit of the Global Command and Control System (D2001LG-0101) .....	20
Evaluation of Information Assurance for Computer-Intensive Weapon Systems (D2001PT-0098) .....	20
Evaluation of Development Testing of Mission-Critical Software (D2001PT-0104) .....	20
Audit of DoD Web Site Administration, Policies, and Practices (D2001AB-0116) .....	20

## **Acquisition Program**

*Follow-Up Audit on the Use of Funds Appropriated for Major Defense Systems (0AE-P001) .....	21
*Acquisition Management of Total Ownership Costs for Major Defense Systems (0AE-P002) .....	21
*Audit of the Development of Radio Frequency Weapon Threat Assessments (0AL-0109) .....	21
*Audit of the Protection of Systems Against Radio Frequency Weapons (0AL-0110) .....	21
*Audit of the Use of Exit Criteria for Major Defense Systems (D2000AE-0084) .....	21
*Audit of the Acquisition of the Battlefield Combat Identification System (D2000AE-0210) .....	22
*Audit of the Acquisition of the Armored Medical Evacuation Vehicle (D2000AE-0208) .....	22
*Audit of the Acquisition of the Advanced Tank Armament System (D2000AE-0211) .....	22
*Audit of the Acquisition of the Joint Helmet Mounted Cueing System (D2000AB-0220) .....	22
*Audit of the Acquisition of the Combat Survivor Evader Locator (D2000AL-0230) .....	22
*Audit of Equipment Procurement for the National Guard and Reserve Forces (D2000AB-0232) .....	22
*Audit of Acquisition of the Airborne Laser Mine Detection System (D2000AE-0242) .....	23
*Audit of the On-Board Jammers for the Integrated Defensive Electronic Countermeasures (D2000AL-0243) .....	23
*Audit of Fielded Chemical Detection and Alarm Systems (D2000AD-0259) .....	23

*Audit of the Management of the Joint Simulation System (D2000AL-0284) .....	23
Program Management Audits of Major Acquisition Programs (D2001AE-0023).....	23
Audit of the Vertical Take-off and Landing Tactical Unmanned Aerial Vehicle (D2001AE-0080) .....	24
Audit of the Reconnaissance, Surveillance, and Targeting Vehicle Program (D2001AB-0020) .....	24
Audit of the Acquisition Management of the Joint Personnel Adjudication System (D2001AL-0012) .....	24
Audit of the Acquisition of the Wide Area Munition (D2001AE-0011).....	24
Audit on Operations of the National Assessment Group (D2001AD-0027) .....	24
Audit of the Acquisition of the Firefinder II (AN/TPQ-47) Radar (D2001AE-0047).....	24
Audit of the Acquisition of the MK 54 Lightweight Hybrid Torpedo (D2001AL-0062) .....	25
Audit of Hotline Allegation Concerning the Use of Federal Acquisition Regulation Part 12 Contract to Acquire the C-17 Aircraft (D2000AE-0272.001) .....	25
Audit of the Implementation of a Cost Accounting System for Visibility of Weapon Systems Life-Cycle Costs (D2001AE-0063) .....	25
Audit of Government Performance and Results Act Goals: Major Defense Acquisition Programs Cycle Time (D2001AB-0066) .....	25
Audit of the Acquisition of the Naval Fires Control System (D2001AE-0069).....	25
Audit of the Acquisition of the Joint Service Lightweight Standoff Chemical Agent Detector (D2001AE-0088) .....	26
Audit of a Launch Contract (D2001AD-0095) .....	26
Audit of the Management of Developmental and Operational Test Waivers for Defense Systems (D2001AE-0123).....	26

## **Contractor Oversight**

**Audit of the Defense Logistics Agency Industrial Prime Vendor Program (9CF-1001) .....	27
**Review of Defense Logistics Agency and Contractor Purchasing Environments (9CF-5028).....	27
**Audit of the Procurement of Free Weights by Military Organizations (9CH-5026).....	27
*Adequacy of Contracting Officer Determination of Price Reasonableness when Cost or Pricing Data are not Required (0CF-0111).....	27



*Competitive Sourcing of Defense Agency and Defense wide Commercial Activities (0CH-5102) .....	27
*Waivers of Requirement for Contractors to Provide Certified Cost or Pricing Data (D2000CH-0106).....	28
*Audit of Maintenance and Repair Type Contracts Awarded by the U.S. Army Corps of Engineers (0CK-5109) .....	28
*Audit of the Use of Consultants by the DoD Exchange Services (0CK-5111).....	28
*Audit of the Army Healthcare Enterprise Management System (D2000CH-0108).....	28
*Audit of the Commercial Operations and Support Savings Initiative Program (D2000AB-0113).....	28
*Audit of the Contract Award for the Fluid Flow Restrictor Spare Part (D2000CF-0155).....	29
*Audit of the DoD Review of Safety Critical Threaded Fasteners and Components (D2000CK-0197) .....	29
*Audit of Service Contracts at the National Security Agency (D2000AD-0213).....	29
*Audit of the Acquisition of Mission-Essential General and Industrial Spare Parts for Major Weapon Systems (D2000LD-0206) .....	29
*Audit of the Extended Pilot Program on Sales of Manufactured Articles and Services of Army Industrial Facilities (D2000CH-0239).....	29
*Audit of Management of Contracts for F110 Engine Procurements (D2000CF-0276).....	30
Audit of the Award and Administration of Contracts for Maintenance, Repair and Rebuilding of Equipment Services (2001-D000CF-0019).....	30
Use of Contracted Advisory and Assistance Services (2001-D000CH-0029).....	30
DoD Paperless Contracting Program (2001-D000CH-0031).....	30
Audit of Contractor Performance Assessments (2001-D000CK-0035).....	30
Audit of the Industrial Prime Vendor Program at Air Force Air Logistics Centers.....	30
Contract Audit Followup (2001-D000CG-0043).....	30
Balkan Sustainment Contracts (2001-D000CG-0045).....	31
Evaluation of the Defense Supply Centers' Quality Assurance Program (D2001PT-0023) .....	31
Audit of Use and Control of Military Interdepartmental Purchase Requests (D2001CH-0032).....	31
Followup Audit of Procurements of Military Clothing and Related Items by U. S. Military Installations (D2001CH-0046) .....	31
Audit of Multiple Award Service Contracts (D2001-D000CF-0057).....	31
Audit of DoD Use of Performance Based Payments Made to Defense Contractors (D2001CK-0061).....	32

Audit of Office of Management and Budget Circular A-76 Competition at Lackland Air Force Base, Texas (D2001CH-0064) .....	32
*Audit of DoD Actions to Achieve GPRA Goal to Streamline the DoD Infrastructure (D2000CG-0141).....	32
*Audit of Protection of the Infrastructure Against Radio Frequency Weapons (D2000AL-0202) .....	32
Audit of the Defense Information Systems Agency FY 2000 Data for Right-sizing (D2001CG-0050).....	32

## Logistics

Mission Capable Rates for Critical Major Weapon Systems (0LA-P002) .....	33
Joint and Multinational Training (0LA-P003) .....	33
Management of Non-demand Based Secondary Items (0LD-P002) .....	33
Implementation of Phase II of the Non-consumable Item Program (0LD-P003).....	33
Interservice Pricing Policy for Depot Level Repairable Items (0LD-P004).....	33
Audit of Procurement of Software Programs Used by the Composite Health Care System II (0LF-8102).....	33
*Audit of Unfunded Depot Maintenance Requirements (D2000FJ-0103) .....	34
Management and Oversight of the DoD Weather Program (D2000LG-0102) .....	34
Audit of Effectiveness of the DoD Transportation System in Improving Logistics Response Time for DoD Organizations Outside the Continental United States (0LH-P002).....	34
Audit of Management of National Guard and Reserve Forces' Chemical and Biological Defense Resources (0LA-0117) .....	34
*Audit of Product Verification Program (D2000CF-0111) .....	35
*Audit of the Government Performance and Results Act Goals: Army Tank Miles (D2000LH-0138).....	35
*Audit of the Government Performance and Results Act Goals: Strategic Mobility (D2000LH-0143) .....	35
*Audit of Allegations to the Defense Hotline Concerning the Apache Helicopter Prime Vendor Support Program (D2000LH-0252).....	35
*Audit of Accountability and Control of Material at Maintenance Depots (D2000LH-0285).....	35
Management of Safety Levels for Wholesale Inventory of Secondary Items (2001-D000LD-0007).....	36
GPRA Performance Goal 2.1.1 Enlisted Recruiting (2001-D000-0009).....	36
GPRA Performance Goal 2.1.2 Quality Benchmarks for Enlisted Recruits (2001-D000LF-0013).....	36

GPRA Performance Goal 2.1.3A Active Component	
Enlisted Retention Rates (2001-D000LF-0015).....	36
GPRA Performance Goal 2.1.3B Selected Reserve	
Enlisted Attrition Rates (2001-D000LF-0017) .....	36
GPRA Performance Goal 1.2.13	
Flying Hours (2001-D000LF-0021) .....	37
Aircraft Readiness (2001-D000LA-0001).....	37
GPRA Performance Goal 1.2.5 Army	
Deployment Tempo (2001-D000LA-0039) .....	37
Audit of the Management of the DoD Intermodal Container System	
(D2001LA-0059).....	37
Audit of the DoD Stockage of Aviation Repair Parts (D2001LD-0076) .....	37
Audit of the DoD Total Asset Visibility Program (D2001LD-0078).....	37
*Audit of DoD Involvement in the Review and Revision of the	
Commerce Control List and the U.S. Munitions List (D2000LG-0244) .....	38
Audit of the U.S. Export Systems Automation Initiative	
(D2001LG-0087).....	38
Audit of Quality Deficiency Reporting Procedures	
for Naval Repair Parts (D2001CF-0090) .....	38
Audit of the F/A-18E/F Integrated Readiness Support Teaming	
(FIRST) Program (D2001CF-0100).....	38
Audit of DoD Management of the NATO Security Investment	
Program (D2001LG-0109).....	38

## **Construction and Installation Support**

Defense Base Realignment and Closure Military Construction	
FY 2000 Budget Data (0CG-P002) .....	40
Real Property Maintenance and	
Repair Backlog (2001-D000CG-0030) .....	40

## **Environment**

Base Realignment and Closure (BRAC) Cleanup Acceleration	
(0CB-P003) .....	41
Audit of DoD Wastewater Treatment Systems (D2000CK-0216).....	41
Evaluation of the Navy Shipboard Pollution Control	
Equipment Program (0CB-5107).....	41
*Evaluation of Military Aircraft Accident Investigation	
and Reporting (D2000CB-0236) .....	41

## **Health Care and Morale**

*Audit of the Collection and Reporting of Quality Assurance	
Data within the Military Health System (D2000LF-0195) .....	42

*Audit of the Procurement Actions Related to the 3.0 Managed Care Support Request for Proposal (D2000CK-0269).....	42
Audit of the Management of the Armed Services Blood Program (0LF-0106).....	42
Army Deployable Medical Systems (D2001LF-0040).....	42
Audit of the Military Health System Optimization Initiative (D2001LF-0043) .....	42
Disposition of Allotment Payments to Insurance Companies (D2001LF-0010) .....	43
Evaluation of Overseas Absentee Ballot Handling in DoD (D2001LF-0058) .....	43
Audit of the Implementation of the Data Quality Management Control Program for the Military Health System (D2001FA-0097) .....	43

## **Other**

Audit of the Transition of Advanced Technology Programs to Military Applications (D2001AB-0105).....	44
---	----

## **Audit Policy and Oversight**

### **Summary of FY 2001 Planned Projects**

*DCAA Participation in Integrated Product Teams (0OC-9110) .....	45
*Quality Control Review of the Henry M. Jackson Foundation FY98 OMB Circular A-133 Audit (D2000OA-0169).....	45
Internal Audit Oversight and Policy Implementation (D2001OA-0032).....	45
Quality Control Reviews of Single Audits (D2001OA-0033) .....	45
Oversight of DoD Contract Audits (D2001OA-0034) .....	46
Quality Control Review of Massachusetts Institute of Technology FY 1999 OMB Circular A-133 Audits (D2001OA-0015) .....	46
Summary of Audit Coverage Within DoD (D2001OA-0074) .....	46
Evaluation of DoD Oversight of Contractor Purchasing System (D2001OA-0106) .....	46
Evaluation of DCAA Quality Assurance Review of Internal Control Systems Audits (D2001OA-0113).....	46
Evaluation of Risk Assessment Procedures for DoD Audits (D2001OA-0122) .....	47

<b>Appendix A.</b> DoD IG Issue Area Planning and Coordination Groups .....	49
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<b>Appendix B.</b> Plan Distribution .....	50
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## FINANCE AND ACCOUNTING

**Financial Statement Audits for FY 2000 (Multiple).** These audits will determine whether the FY 1999 financial statements for the Department of Defense are presented fairly in accordance with generally accepted accounting principles described in the Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," October 16, 1996, as amended November 29, 1998. As part of this objective, will review the reporting of performance measures in the Overview section of the DoD Agency-wide Financial Statements and in the preparation of the Statements of Net Costs by both the Department and its Components. We will assess internal controls, compliance with laws and regulations, and reporting of program and financial performance as described in the Bulletin. We also plan to follow up on corrective actions resulting from previous financial statement audits. (R. Bird/(703) 604-9175)

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
**9FD-0067	Audit of DoD Accounts Payable	B. Flynn (703) 604-9586	9/1/99

**DoD Funds Expended on the National Drug Control Strategy (D2000LH-0241).** The primary objective of this audit (previously 0LH-P003) is to evaluate the management controls over and unliquidated obligations of DoD National Drug Control Program funds to determine whether those controls ensure that the funds are used for the purposes intended by Congress. This audit was announced September 13, 2000. The final report, no. D2001-117, was issued May 10, 2001. (R. Murrell/ (703) 604-9210)

**Audit of the FY 2000 DoD-Wide Inventory Accounts (0FJ-2102).** This audit (D2000FJ-0067) is required by the Chief Financial Officers Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objective of the audit is to evaluate assertions pertaining to valuation, completeness, and existence of DoD inventory accounts and to determine whether these accounts are presented fairly on the financial statements in accordance with OMB requirements. As a part of the audit, we will assess the internal control structure as it pertains to inventory transactions. The project will support our audit of the DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. The final report for this project, report 00-086, was completed 2-14-00. Sub-project D2000FJ-0067.01 had report 00-138 completed 6/1/00. Sub-project D2000FJ-0067.02 was announced January 21, 2000. Additionally, subprojects D2000FJ-0067.03, D2000FJ-0067.04, and D2000FJ-0067.05 were announced June 21, 2000. Subproject D2000FJ-0067.07 was announced January 4, 2001. Final reports no. D2001-078 and D2001-079 were issued

March 14, 2001. Final report no. D2001-126 was issued May 23, 2001. (J. Kornides/(614) 751-1400)

**Audit of the Department of Defense Financial Reporting of Operating Materials and Supplies (0FJ-2103).** This audit is required by the Chief Financial Officers Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objectives are to obtain information on the financial reporting of operating materials and supplies, and the appropriateness of policies and regulations governing accounting for operating materials and supplies. As part of the audit we will assess the internal controls structure as it pertains to operating materials and supplies. The project will support our audit of the DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. (J. Kornides/(614) 751-1400)

**Financial Reporting of DoD Property in the Possession of Contractors for DoD Financial Statements (D2000FA-0094).** The audit objective is to determine whether DoD property in the possession of contractors is properly reported in the account balances for the DoD financial statements or supplementary stewardship reports. This project was announced January 18, 2000. The final report, no. D2001-071, was issued March 2, 2001. (C. Richardson/(703) 604-9582)

**Inspector General, DoD, Oversight of the FY 2000 Contractor Efforts on the Valuation of DoD Personal Property Assets (D2000FH-0097).** The audit objective is to provide appropriate oversight over the modified Phase 2 effort to estimate the recorded costs in the DoD Components' personal property accountability and logistics systems. Under the modified Phase 2 statement of work, KPMG will perform system analyses, develop recommendations for property accountability policies, and develop recommended internal controls and procedures related to personal property management. This oversight effort will support our audit of the FY 2000 DoD-wide consolidated financial statements and future audits of financial statements. We will coordinate our oversight effort and any related audits with the Army Audit Agency, the Naval Audit Service, and the Air Force Audit Agency. Each organization will separately announce its audit efforts. This project (0FH-0124) was announced February 4, 2000. (D. Vincent/(703) 604-9119).

**Audit of Defense Working Capital Funds Net Operating Results (D2000FJ-0105).** The audit (0FJ-3101) objective is to determine whether the financial information used to compute net operating result for the activity groups of the Defense Working Capital Fund were consistently and accurately compiled. In addition, we will determine whether the activity groups of the Defense Working Capital Fund met the controls to determine whether management complied with the Government Performance and Results Act of 1993. As a part of the audit, we will review internal controls to determine whether management complied with the Government Performance and Results Act of 1993. The final report for this project, no. 2001-021, was issued January, 10, 2001. (J. Kornides/(614) 751-1400 xt11)

**Audit of the FY 2000 DoD Payroll Withholding Data (D2000FH-0130).** The audit (0FH-0129) is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall audit objective is to determine whether the retirement, health, and life insurance withholdings and employee headcount data submitted by DoD are reasonable. We will also assess internal controls and compliance with laws, regulations, and procedures relative to payroll withholding data submitted by DoD. This project was announced March 7, 2000. The final report, no. D2001-109 was issued April 27, 2001. (D. Vincent/(703) 604-9109).

**Audit of Consolidation of Financial Data Supporting the FY 2000 Financial Statements for Other Defense Organizations (D2000FA-0146).** The audit (0FA-2125) supports our audit of the FY 2000 DoD Agency-wide financial statements as required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The audit objective will be to determine the accuracy and completeness of the data submitted by the accounting offices to the Defense Finance and Accounting Service Center for Sustaining Forces-Indianapolis for inclusion in the financial statements for the Other Defense Organizations. Final report, no. 2001-048, was issued February 7, 2001; final report no. 2001-049 was issued February 13, 2001 and final report no. 2001-081 was issued March 15, 2001. (C. Richardson/(703) 604-9582).

**Audit of Controls Over Tax Identification Numbers (D2000FI-0151).** The audit objective is to evaluate the controls associated with the List of Contractors Indebted to the United States. We will also evaluate the effectiveness of the management control program as it relates to the audit objective. We will follow up on Recommendation 1, Inspector General, DoD Audit Report No. 95-234, "Department of Defense Compliance with Federal Tax Reporting Requirements," June 14, 1995, requiring contracting officers to obtain tax identification numbers and provide them to DoD paying offices. We will also follow-up on recommendation B.2.a., Inspector General, DoD Audit Report No. 96-038, "Debt Collection and Deposit Controls in the Department of Defense," December 11, 1995, requiring the establishment of performance standards for critical debt collection techniques. This audit was announced March 23, 2000. The final report, no. D2001-114, was issued May 7, 2001. (R. Bird/(703) 604-9159).

**Audit of Journal Entry and Other Adjustments to U.S. Transportation Command Data in the FY 2000 DoD Agency-wide Financial Statements (D2000FD-0205).** This audit supports the audit of the FY2000 DoD Agency-wide financial statements required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The primary objective is to determine whether Defense Finance and Accounting Service (DFAS) operating locations follow adequate procedures in processing and reporting U.S. Transportation Command data in the FY 2000 DoD Agency-wide financial statements. Specifically, we will identify and evaluate journal entry and other adjustments made by DFAS operating locations to U.S. Transportation Command data included in the FY2000 DoD Agency-wide financial statements. This audit was announced May 2, 2000. The final report, no. D2001-107, was issued May 2, 2001. (B. Flynn/(703) 604-9489)

**Audit of the Military Retirement Fund Financial Statements for FY 2000 (D2000FH-0233).** In accordance with the Chief Financial Officers (CFO) Act of 1990, the Inspector General, (IG), DoD, is responsible for auditing the Military Retirement Fund (the Fund). We have contracted with Deloitte & Touche LLP to audit the Fund for FY 2000 (after competitive selection), as we did in FY 1998 and FY 1999. To fulfill our responsibilities under the CFO Act and as prescribed by the General Accounting Office Financial Audit Manual, the IG, DoD, is responsible for evaluating the nature, workpapers; meeting with audit management and staff members; performing independent tests of the accounting records; and performing other procedures as appropriate. This audit was announced June 26, 2000. The final report, no. D2001-068, was issued February 28, 2001. (D. Vincent/(703) 604-9109).

**Audit of the Controls Over the Computerized Accounts Payable System (D2000FI-0248).** The primary objective of the audit will be to evaluate the controls associated with making vendor payments using the Computerized Accounts Payable System and its computation of vendor payments. We will also evaluate progress in transitioning to the Defense Procurement Payment System as the migratory system for making vendor payments. This project was announced July 19, 2000. (R. Bird/(703) 604-9159).

**Audit of Hotline Allegations of Improper Accounting for the Defense Information Systems Agency Working Capital Fund (D2000FC-0249).** The objective will be to determine the validity of allegations concerning the failure to record disbursement vouchers, the existence of unrecorded expenses, and efforts to resolve and disclose undistributed disbursements. This audit was announced July 17, 2000. The final report, no. D2001-123, was issued May 21, 2001. (M. Peek/(703) 604-9587).

**Audit of the Prevalidation of Payments Made for Navy Shipyards (D2000FI-0250).** The primary objective of the audit will be to evaluate the process for prevalidating payments for Navy shipyards. This audit was announced July 19, 2000. (R. Bird/(703) 604-9159).

**Audit of Revised DoD Progress Payment Practices (D2000FJ-0261).** The objective of the audit is to determine whether the revised DoD Progress Payment practices originally announced by the Under Secretary of Defense (Comptroller) on July 23, 1997, were adequately implemented. This was announced July 31, 2000. (J. Kornides/(614) 751-1400).

**Audit of Air Force Working Capital Fund Accounts Receivable (D2000FD-0254).** This audit will support our audit on the FY 2000 Air Force Working Capital Fund financial statements. The Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994, requires DoD to annually prepare and the IG, DoD, to audit financial statements. Our objective is to determine whether the Defense Finance and Accounting Service and the Air Force Material Command are preparing,



recording, aging, valuing, and managing accounts receivable of the Air Force Working Capital Fund in accordance with Department of Defense Financial Management Regulation 7000.14-R and the Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," November 20, 1998. This audit was announced August 7, 2000. (B. Flynn/(703) 604-9489).

**Audit of the FY 2000 Department of the Navy Working Capital Fund Financial Statements (D2000FC-0279).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Naval Audit Service (NAS) to audit the FY 1999 Navy Working Capital Fund Financial Statements. Our audit includes two objectives. The first objective is to oversee the NAS audit to verify that we can rely on the audit conducted by the NAS. Specifically, we will review the NAS approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine the reliability and effectiveness of processes and procedures used to prepare the Navy Working Capital Fund Financial Statements. Final report no. D2001-022 was issued December 18, 2000, final report no. D2001-057 was issued February 21, 2001, and final report no. D2001-108 was issued April 27, 2001. (M. Peek/(703) 604-9587)

**Audit of Controls Over the Transition from the Mechanization of Contract Administration Services (MOCAS) System to the Defense Procurement Payment System (DPPS) (D2000FJ-0268).** This objective will be to evaluate actions to close out completed contracts and transition from the MOCAS to the DPPS. This project was announced August 23, 2000. (J. Kornides/(614) 751-1400)

**Audit of the Department of Defense Financial Reporting of Operating Materials and Supplies for FY 2000 (D2000FJ-0002).** This audit (0FJ-2103) is required by the Chief Financial Officers Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objectives are to obtain information on the financial reporting of operating materials and supplies, and the appropriateness of policies and regulations governing accounting for operating materials and supplies. As part of the audit we will assess the internal controls structure as it pertains to operating materials and supplies. The project will support our audit of the DoD-wide consolidated financial statements required by the Federal Financial Management Act of 1994. This project was announced August 25, 2000. (J. Kornides/(614) 751-1400)

**Audit of the FY 2000 Department of the Navy General Fund Financial Statements (D2000FC-0283).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Naval Audit Service (NAS) to audit the FY 1999 Navy General Fund Financial Statements. Our audit includes two objectives. The first objective is to oversee the NAS audit to verify that we can rely on the audit conducted by the NAS. Specifically, we will review the NAS approach and planning for the audit, monitor progress of the

audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine the reliability and effectiveness of processes and procedures used to prepare the Navy General Fund Financial Statements. Final report no. D2001-041, was issued January 31, 2001; final report no. D2001-056 was issued February 21, 2001, final report no. D2001-097 was issued April 12, 2001, and final report no. D2001-122 was issued May 16, 2001. (M. Peek/(703) 604-9587)

**Audit of Defense Health Program Funds Administered as Part of the TRICARE Program (D2000FD-0256).** Congress directed the Inspector General, DoD, in coordination with the General Accounting Office, to examine the fund control practices of the TRICARE program. Congress directed this audit in conference report, H.R. 4425, "Making Appropriations for Military Construction, Family Housing, and Base Realignment and Closure for the Department of Defense for the Fiscal Year Ending September 30, 2001, and for Other Purposes." We will determine whether fund control practices for TRICARE were adequate to prevent violations of the Antideficiency Act. This audit was announced August 4, 2000. The final report, no. D2001-110 was issued April 30, 2001. (B. Flynn/(703) 604-9489).

**Financial Statement Audits for FY 2001 (Multiple).** These audits (2001-D000FI-0036) will determine whether the FY 2000 financial statements for the Department of Defense are presented fairly in accordance with generally accepted accounting principles described in the Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," October 16, 1996, as amended November 29, 1998. As part of this objective, we will review the reporting of performance measures in the Overview section of the DoD Agency-wide Financial Statements and in the preparation of the Statements of Net Costs by both the Department and its Components. We will assess internal controls, compliance with laws and regulations, and reporting of program and financial performance as described in the Bulletin. We also plan to follow up on corrective actions resulting from previous financial statement audits. (R. Bird/(703)604-9175)

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
D2001FD-0051	Oversight of the Air Force Audit Agency Audit of the FY 2000 Air Force Financial Statements	B. Flynn (703) 604-9489	11/21/00

**Summary of Financial Audits on General and Application/Security Controls (D2001FG-0042).** We will assess the adequacy of general and application control/security policies and implementation for selected automated financial information systems. Our focus will be on evaluating the adequacy of system security, access, continuity, and software development and changes, as well as testing applications controls. This audit is a summarization of prior audits with the objective being to point out that security weaknesses continue to exist. (K. Caprio/ (703) 604-9139)

**Audit of the Inventory and Control of Department of Defense Military Equipment, Public Law 106-65, Section 363 (D2001FH-0004).** We plan to begin the audit in October 2000. In accordance with Public Law 106-65, section 363, the Secretary of Defense is required to submit a report to the Committees on Armed Services of the Senate and the House of Representatives on the inventory control of military equipment of the Department of Defense by December 31, 2000. The report will address the inventories of the Army, Navy, Air Force and Marine Corps. Under Public Law, we are required to submit a report to the Committees by March 31, 2001. Our overall objective will be to review and comment on the inventory and control report of the DoD military equipment submitted by the Secretary Of Defense. This audit was announced September 6, 2000. The final report, no. D2001-119, was issued May 10, 2001. (D. Vincent/(703) 604-9109)

**Audit of the DoD Consolidated Financial Statements Stewardship Reporting for FY 2000 (D2001FH-0005).** We plan to begin the audit in October 2000. This audit is required by the Chief Financial Officer's Act of 1990, as amended by the Federal Financial Management Act of 1994. Our objective is to determine whether the Military Services are consistently classifying National Defense Property, Plant, and Equipment. Additionally, we will determine whether the National Defense Property, Plant, and Equipment are presented on the financial statements accurately and in accordance with required supplementary information standards for Federal Agencies. This audit was announced September 6, 2000. (D. Vincent/(703) 604-9110)

**Audit of the Data Supporting the DoD Environmental Liability Line Item on the FY 2000 Financial Statements (D2001FC-0007).** We plan to begin the audit in October 2000. This audit is required by the Chief Financial Officer's Act of 1990, as amended by the Federal Financial Management Act of 1994. Our objective is to assess the reliability and completeness of the data used to calculate and support the environmental Liabilities lines on the FY 2000 DoD Agency-wide financial statements. This audit was announced September 7, 2000. (L. Peek/(703) 604-9587)

**Audit of FY 2000 DoD Superfund Financial Transactions (D2001FJ-0003).** We plan to begin the audit in October 2000. This audit objective is to determine whether the U.S. Army Corps of Engineers properly administered the fund. Specifically, we will determine whether the Corps of Engineers supported and accurately recorded obligation and disbursement transactions charged to the Superfund projects during FY 2000. This audit was announced September 7, 2000. (J. Kornides/(614) 751-1400)

**Audit of the FY 2001 DoD-wide Inventory Accounts (D2001FJ-0019).** We plan to begin the audit in October 2000. This audit is required by the Chief Financial Officer's Act of 1990, as implemented by the Office of Management and Budget (OMB) and DoD. The overall objective of the audit is to evaluate management assertions pertaining to valuation, completeness, and existence of DoD inventory accounts, and to determine whether these accounts are presented fairly on the financial statements in accordance with OMB requirements. As part of the audit, we will assess the internal control structure as it

pertains to inventory transactions. This audit was announced September 26, 2000. (J. Kornides/(614) 751-1400)

**Audit of the Compilation of FY2000 Financial Statements for the Department of the Air Force and Other Defense Organizations (D2001FD-0014).** The audit will support the audits of the FY 2000 financial statements prepared for DoD, the Department of Air Force, and certain Defense organizations. These audits are required by the Chief Financial Officer's Act of 1990, as amended by the Federal Financial Management Act of 1994. The audit incorporates the research made under Project No. D2000FD-0226, "Research on the FY 2000 Financial Statements for the Department of Air Force and Other Defense Organizations for Future Audits." Our objective is to determine whether the defense Finance and Accounting Service (DFAS) and its Denver Center consistently and accurately compiled financial data from field activities and other sources in preparing the FY 2000 financial statements. This audit was announced September 26, 2000. (B. Flynn/(703) 604-9489.

**Audit of the Compilation of Financial Data for Other Defense Organizations Into the FY 2000 DoD Agency-Wide Financial Statements (D2001FA-0016).** The audit will support the audits of the DoD Agency-wide FY 2000 financial statements required by the Chief Financial Officer's Act of 1990, as amended by the Federal Financial Management Act of 1994. The audit objective will be to determine whether the Defense Finance and Accounting Service Center for Sustaining Forces-Indianapolis consistently and accurately compiled financial data from supporting accounting officers and other sources for the FY 2000 financial statements for "Other Defense Organizations," a reporting entity included in the DoD Agency-Wide consolidating financial statements. This audit was announced September 29, 2000. Final report no. D2001-060 was issued February 28, 2001, and final report no. D2001-116 was issued May 8, 2001. (C.J.Richardson/(703) 604-9582)

**Audit of the FY 2000 DoD Agency-Wide Financial Statements (D2001FI-0018).** The audit is required by the Chief Financial Officer's Act of 1990, as amended by the Federal Financial Management Act of 1994. Our audit objective is to determine whether the FY 2000 DoD Agency-Wide financial statements were prepared in accordance with Office of Management and Budget (OMB) Bulletin No. 97-01, "Form and Content of Agency Financial Statements," October 16, 1996, as amended by the technical amendment to OMB Bulletin No. 97-01, January 7, 2000. This project was announced October 4, 2000. Final report no. D2001-070 was issued February 28, 2001, and final report no. D2001-085 was issued March 19, 2001. (R. Bird/(703) 604-9159)

**Audit of the FY 2000 Corps of Engineers, Civil Works, Financial Statements (D2000FI-0034).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Corps of Engineers, Civil Works Financial Statements. Our audit includes two

overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Corps of Engineers Finance Center consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Corps of Engineers, Civil Works, financial statements. This project was announced October 12, 2000. The final report, no. D2001-067, was issued February 28, 2001. (R. Bird/(703) 604-9159)

**Audit of the FY 2000 U.S. Army Corps of Engineers Obligations for DoD Component Contracts (D2001FI-0024).** This audit will assess whether Corps of Engineers obligations and related disbursements for DoD Component contracts were properly approved, supported, and valid. This project was announced October 12, 2000. (R. Bird/(703) 604-9175)

**Audit of the FY 2000 Army Working Capital Fund Financial Statements (D2000FI-0035).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Army Working Capital Fund financial statements. Our audit includes two overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Defense Finance and Accounting Service (DFAS) Indianapolis Center Indianapolis, Indiana consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Army Working Capital Fund Financial Statements. This audit was announced October 12, 2000. The final report, no. 2001-063, was issued February 28, 2001. (R. Bird/(703) 604-9159)

**Audit of the FY 2000 Army General Fund Financial Statements (D2000FI-0036).** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. We have delegated authority to the Army Audit Agency (AAA) to perform an independent audit of the FY 1999 Army General Fund financial statements. Our audit includes two overall objectives. The first is to oversee the AAA audit to verify that we can rely on the work performed. Specifically, we will review the AAA approach and planning for the audit, monitor progress of the audit, perform other procedures necessary to satisfy us as to the adequacy of the audit approach and conclusions, and review audit reports prior to being issued. The second objective is to determine whether the Defense Finance and Accounting Service (DFAS) Indianapolis Center Indianapolis, Indiana consistently and accurately compiled financial data from field activities and other sources for the FY 1999 Army General Fund Financial

Statements. This audit was announced October 12, 2000. The final report, no. 2001-064, was issued February 28, 2001. (R. Bird/(703) 604-9159)

**Financial Reporting of DoD Property in the Possession of Contractors for DoD**

**Financial Statements (D2001FA-0037).** The audit objective is to determine whether DoD property in the possession of contractors is properly reported in the account balances for the DoD financial statements or supplementary stewardship reports. This audit was announced October 16, 2000. (C. Richardson/(703) 604-9582)

**Audit of the Demographic Data Supporting the DoD Military Retirement Health**

**Benefits Liability Estimate (D2001FA-0026).** This audit supports our annual audits of the DoD Military Retirement Health Benefits Liability as well as the DoD-wide financial statements required by the CFO Act of 1990, as amended by the Federal Financial Management Act of 1994. We will assess the reliability and completeness of the demographic data used to calculate the DoD Military Retirement Health Benefits Liability estimate. This audit was announced October 16, 2000. (C. Richardson/(703) 604-9582)

**Audit of DoD Wide Area Workflow Development, Implementation, and Security**

**(D2001FG-0039).** This audit objective is to evaluate the adequacy of the Wide Area Workflow application development and implementation. Also, we will determine whether the Wide Area Workflow application is compliant with national and DoD security requirements. This audit was announced October 16, 2000. (K. Caprio/(703) 604-9139).

**Audit of the Unified Combatant Commands' Reporting of Real and Personal Property Assets on the DoD Agency-wide Financial Statements for FY 2000**

**(D2001LF-0044).** The overall objective is to determine the accuracy of the Unified Combatant Commands' reporting of real and personal property on the DoD Agency-wide financial statements. Audit work will include data collection, testing of databases, and reviewing internal controls. This audit was announced October 27, 2000. (D. Vincent/(703) 604-9109).

**Audit of the Pentagon Reservation Maintenance Revolving Fund Construction in Progress and Real Property Account (D2001FH-0045).**

The overall audit objective is to determine whether the Pentagon Reservation Maintenance Revolving Fund has properly recorded and reported the costs associated with recent construction projects at the reservation, which includes the Pentagon, the Navy Annex, and other buildings. Specifically, we will review procedures for collecting financial information, inspect supporting documentation for account balances, and determine whether construction costs were properly included in the DoD Agency-Wide Financial Statements. We will also review procedures and documentation used for cost projections reported to Congress, assess internal controls, compliance with laws and regulations, and management controls associated with maintaining databases. This audit was announced October 27, 2000. (D. Vincent/(703) 604-9109.)

**Audit of the DoD Fund Balance With Treasury Account (D2001FD-0048).** This audit supports our annual audits of the Fund Balance With Treasury account and the FY 2000 DoD Agency-Wide financial statements, as required by the Chief Financial Officers Act of 1990, the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act of 1996. The overall objective of the audit is to assess controls over the collections and disbursements reported to the Defense Finance and Accounting Service Centers and the U.S. Treasury. This audit was announced November 14, 2000. (B. Flynn/(703) 604-9489.)

**Audit of Obligations and Disbursements for Contract No. FA2550-96-C-0003 (D2001CF-0054).** The 50<sup>th</sup> Space Wing at Schriever Air Force Base requested a review of disbursement issues relating to the subject contract. Specifically, the audit will assess whether obligation and disbursement functions were properly executed and whether funding adjustments to the contract are required, as indicated by the Defense Finance and Accounting Service, Omaha Operating Location. The audit was announced November 27, 2000. The final report, no. D2001-090 was issued March 30, 2001. (T. McKinney/(703) 604-9288.)

**Evaluation of the Effect of the Raytheon Defense Business Acquisitions on Pension Plans and DoD Funded Pension Assets (D2001PT-0060).** We plan to evaluate the effect of the Raytheon acquisition of Hughes, Texas Instruments, E-Systems, and Chrysler Defense on the respective pension plans, DoD pension costs and DoD funded pension assets. We will review each of the pension programs with different benefits and plan provisions, different funding ratios between assets and liabilities, different percentages of Government and commercial funding participation, and different plan participant characteristics. This project was announced December 7, 2000. (K. Stavenjord/(703) 604-8952.)

**Audit of the Promptness of DoD Payments to the United States Treasury for Water and Sewer Services (D2001FA-0070).** This audit is required by Public Law 106-554, the Consolidated Appropriations Act 2001, (Section 401 of H.R. 5666, Miscellaneous Appropriations Act of 2001.) The audit objective will be to determine the promptness of DoD payments to the United States Treasury for water and sewer services provided by the Government of the District of Columbia. This project was announced January 10, 2001. Final report, no. D2001-053 was issued February 15, 2001, and final report no. D2001-100 was issued April 13, 2001. (C. J. Richardson/(703) 604-9582)

**Audit of Controls Over the DoD Purchase Card Program (D2001FG-0068).** The audit will evaluate the appropriateness of the issuance and use of purchase cards and the controls over the processing of purchase card payments. This project was announced January 10, 2001. (K. Caprio/(703) 604-9139)

**\*Audit of the Advanced Sensor Applications Program Joint Project (D2000FD-0265).** The audit was requested by the Inspector General, Department of Commerce. The objective was to determine whether DoD funds provided to the

Environmental Technology Laboratory were spent in accordance with program objectives and the memorandum of understanding between the Department of Defense and the Environmental Technology Laboratory, dated June 8, 1993. This audit was announced August 8, 2000. (B. Flynn/(703) 604-9489).

**Audit of the DoD's Implementation of the Statement of Federal Financial Accounting Standards No. 10 "Accounting for Internal Use Software" (D2001FH-0079).** The overall objective will determine whether DoD is in compliance with Statement of Federal Financial Accounting Standards No. 10, which requires all Federal agencies to report internal use software in a specified and consistent manner starting in October 2000. Specifically, the audit will review procedures for collecting information on internal use software and reporting this information on the financial statements. This project was announced February 22, 2001. (D. Vincent/(703) 604-9109)

**Audit of Financial Reporting at Accounting Offices Supporting the Other Defense Organizations-General Funds and Working Capital Funds (D2001FA-0086).** The audit objective is to determine the accuracy and completeness of the financial data submitted by the accounting offices to DFAS-Indianapolis (Sustaining Forces) for inclusion in the Other Defense Organizations and Defense Agency-Wide financial statements. This project was announced March 5, 2001. (C.J. Richardson/(703) 604-9582)

**Audit of DoD Financial and Feeder Systems Compliance Process (D2001FG-0085).** The overall audit objective is to determine the effectiveness of the DoD Financial and Feeder Systems Compliance Process to address compliance with applicable federal financial management systems requirements. Specifically, we will determine whether the DoD Financial and Feeder Systems Compliance Process will achieve compliance of both individual and integrated systems. This project was announced March 2, 2001. (K. Caprio/(703) 604-9139)

**Audit of Controls Over FY 2001 Air Force Disbursements Reported by U.S. Transportation Command, Transportation Component Commands (D2001FD-0083).** The primary objective is to determine whether FY 2001 Air Force disbursements recorded in the U.S. Transportation Command, Transportation Component Commands are adequately supported at the Air Force base level. This project was announced March 5, 2001. (B. Flynn/(703) 604-9489)

**Audit of DoD Accounts Payable in the Navy General Fund (D2001FD-0093).** This audit will support our audit of the FY 2001 DoD Agency-Wide Financial Statements. The objective is to determine whether the accounts payable line of the FY 2001 DoD Agency-Wide Financial Statements was prepared in accordance with OMB Bulletin No. 97-01, "Form and Content of Agency Financial Statements" October 16, 1998, as amended November 20, 1998. This project was announced March 27, 2001. (B. Flynn/(703) 604-9489)



**Audit of the Defense Intelligence Systems Support Office's Management of Travel, Other Funds, and Contract Policies (D2001AL-0096)**. The audit is being initiated in response to a referral from the General Accounting Office (GAO). The objective is to evaluate the Defense Intelligence Systems Support Office's management of travel, other funds, and contract policies and to specifically to determine the validity of allegations contained in the GAO referral. This project was announced March 27, 2001. (C. Santoni (703) 604-9051)

**Audit of Controls Over the DoD Government Travel Card Program (D2001FG-0103)** The audit will evaluate the appropriateness of the issuance and use of travel cards and the controls over the processing of travel card payments. This project was announced April 19, 2001. (K. Caprio/(703) 604-9139)

**Audit of Reporting the Cost of Military Personnel Assigned to Defense Agencies Required to Prepare Financial Statement (D2001FC-0110)** The audit objective is to determine whether Defense agencies required to prepare financial statements in support of the Chief Financial Officers Act accurately reported the cost of Military personnel assigned. It will also evaluate any applicable guidance for reporting those costs to ensure the costs are properly and consistently reported. This project was announced April 19, 2001. (M. Peek/(703) 604-9587)

**Audit of the FY 2001 Air Force General Fund Financial Statements (D2001FD-0112)** This audit supports the audit of the FY 2001 DoD Agency-wide Financial Statements required by the CFO act of 1990, as amended by the Federal Financial Management Act of 1994. The objective of the audit is to determine whether the FY 2001 Air Force General Fund Financial Statements are presented fairly in accordance with generally accepted accounting principles. This project was announced April 19, 2001. (B. Flynn/(703) 604-9489)

**Audit of the FY 2001 DoD Payroll Withholding Data (D2001FH-0118)** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall audit objective is to determine whether the retirement, health, and life insurance withholdings and employee headcount data submitted by DoD are reasonable. This project was announced May 22, 2001. (D. Vincent/(703) 604-9109)

**Audit of the FY 2001 DoD Agency-Wide Financial Statement's Accounts Receivable (D2001FI-0115)** This audit is required by the Chief Financial Officers Act of 1990, as amended by the Federal Financial Management Act of 1994. The overall objective of the audit is to evaluate management assertions pertaining to valuation, completeness, and existence of DoD accounts receivable, and to determine whether these accounts are presented fairly on the financial statements in accordance with generally accepted accounting principles. This project was announced May 22, 2001. (R. Bird/(703) 604-9159)

**Audit of Procedures for Paying and Resolving Delinquent General Services Administration Bills for DoD Customers (D2001FI-0126)**

The General Services Administration (GSA) requested this audit. The primary audit objective is to evaluate Defense Finance and Accounting Service (DFAS) procedures for resolving delinquent GSA bills for DoD customers. It will also evaluate procedures for paying rent bills. This project was announced May 22, 2001. (R. Bird/(703) 604-9159)

**\* indicates audits that were carried over from FY 1999**

**\*\* indicates audits that were carried over from FY 2000**

## INFORMATION TECHNOLOGIES RESOURCES

**Audits of Year 2000 Conversion Issues (Multiple).** We plan to complete the series of audits during the first quarter of FY 2000, which were conducted in informal partnership between the Chief Information Officer, DoD, and the Inspector General, DoD, to validate DoD progress toward assuring continuity of operations and business processes. Individual projects at Unified Commands and other DoD Components in all major functional areas will be summarized into a lessons learned report. (M. Ugone/(703) 604-9049)

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
*9AS-0048.01	Reannouncement: System Users Adherence to Information System Security Policy	(703) 604-9049 M. Ugone	12/2/99
*9FG-9010	Audit of Defense Finance and Accounting Service Year 2000 Contingency Plans	K. Caprio (703) 604-9139	8/6/99
*9FG-9025.01	Audit of Defense Civilian Pay Year 2000 End-to-End Tests	K. Caprio (703) 604-9139	7/27/99

**Acquisition Management of Automated Information Systems (Multiple).** This series of audits will evaluate the acquisition management of selected automated information system acquisition programs. Specifically, the selected information systems will be evaluated to determine if they are being cost-effectively acquired, monitored, tested, and prepared for deployment and system life cycle support. Guidance contained in DoD Directive 5000.1, "Defense Acquisition," and DoD 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information Systems Acquisition Programs" will be used as criteria. These audits will also determine whether the information assurance processes required by DoD Directive 5200.28, "Security Requirements for Automated Information Systems," and other applicable guidance have been adequately implemented.

<u>Number</u>	<u>Title</u>	<u>Point of Contact</u>	<u>Announced</u>
1AL-0072	Audit of Acquisition Management of the Global Transportation Network	C. Santoni (703) 604-9051	1/18/2001
1AL-0073	Audit of the Acquisition Management of the Defense Counterintelligence System	C. Santoni (703) 604-9051	1/18/2001

**\*Audit of Information Technology General Controls for the Defense Joint Military Pay System (D2000FG-0052).** We will perform an audit of the Defense Joint Military Pay System (DJMS) information technology general controls in support of audits required by the Chief Financial Officer (CFO) Act of 1990 as amended by the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act 1996. We will determine whether DJMS access and system software general controls are effective in design and operation for FY 1999, and whether these controls can be relied upon to support CFO audits. We will also review other general control procedures in the areas of entity-wide security program, application software development and change control, segregation of duties, and service continuity. If general controls are deemed effective, the OIG, DOD, may determine an application control review of DJMS is warranted. This project was announced November 19, 1999. The final report for this project, no. D2001-052, was issued February 15, 2001. (K. Caprio/(703) 604-9140)

**\*Audit of Information Technology General Controls for the Defense Joint Civilian Pay System (0FG-2120).** We will perform an audit of the Defense Civilian Pay System (DCPS) information technology general controls in support of audits required by the Chief Financial Officers (CFO) Act of 1990 as amended by the Federal Financial Management Act of 1994, and the Federal Financial Management Improvement Act of 1996. We will determine whether DCPS access and system software general controls can be relied upon to support CFO audits. We will also review other general control procedures in the areas of entity-wide security program, application software development and change control, segregation of duties, and service continuity. The final report, no. D2001-055, was issued February 21, 2001. (K. Caprio/(703) 604-9140)

**\*Evaluation of Information Assurance at Central Design Activities (D2000PT-0121).** The objective of this evaluation is to determine whether information assurance policies and management controls are working to protect the software development environments and software libraries that the central design activities use for DoD software development and maintenance. The final report for this project, no. D2001-046, was issued February 7, 2001. (K. Stavenjord/(703) 604-8952)

**\*Audit on the Security Controls of Electronic Data Access and Electronic Data Interchange (D2000FG-0057).** This audit was requested by the Director, Defense Finance and Accounting Service, Columbus Center. The overall objective is to determine whether the security of Electronic Data Access and Electronic Data Interchange is adequate. The audit will include reviews of selected general and application controls. We will also review compliance with Chief Financial Officer Act requirements. This audit was announced December 1, 1999. Final report no. D2001-095 was issued April 6, 2001 and final report no. D2001-101 was issued April 16, 2001. (K. Caprio/(703) 604-9139)

**\*Audit of the Development of the Defense Finance and Accounting Service Corporate Database (0FG-0116).** The overall objective is to review the development of the Defense Finance and Accounting Service Corporate Database and the impact on

entitlement, disbursing, and accounting functions. The audit is in support of the Chief Financial Officer Act. Additionally, selected general and application controls will be reviewed. This project was announced December 14, 1999. (K. Caprio/(703) 604-9139)

**\*Audit of the Security Posture of the Unclassified but Sensitive Internet Protocol Router Network (NIPERNet) (0AS-0118).** The overall audit objective is to evaluate DoD efforts to increase the security posture of the Unclassified but Sensitive Internet Protocol Router Network (NIPERNet). Guidance for the audit can be found in Office of the Assistant Secretary of Defense Memorandums, "Increasing the Security Posture of the NIPERNet," August 22, 1999, and "Extending Deadlines Relating to the Memorandum, 'Increasing the Security Posture of the NIPERNet,'" September 7, 1999. This project was announced December 8, 1999 and the final report, no. D2001-017 was issued December 12, 2000. (D. Pearson/(703) 604-9094)

**Audit of the Defense Clearance and Investigations Index Database (D2000AD-0132).** The objective of the audit (0AD-0130) is to determine the accuracy, integrity, timeliness, and availability of information in the Defense Clearance and Investigations Index (DCII) database. We will determine organizations authorized to input data in the DCII and those responsible for ensuring the accuracy of information in the DCII. We will also determine the use of the DCII and its impact on the future Joint Personnel Adjudication System. This audit was announced March 10, 2000. (R. West/(703) 604-8983).

**Audit of the Defense Security Service Program Management of the Case Control Management System (D2000AL-0159).** Our overall objective is to review the Defense Security Service's program management of the Case Control Management System and the actions being taken to correct problems in its development and deployment. The final report for this project, no. 2001-019 was issued December 15, 2000. (C. Santoni/(703) 604-9051).

**Audit of Allegations to the Defense Hotline Concerning the Defense Security Assistance Management System (D2000FG-0162).** The primary audit objective will be to determine whether the Defense Security Assistance Management System will meet cost, performance, schedule, and user requirements. This audit was announced April 5, 2000. (K. Caprio/(703) 604-9139).

**Audit of the Defense Environmental Security Corporate Information Management Program Activities (D2000AS-0207).** The audit was requested by the Senate Committee on Armed Services. The objective is to review the current status and operation of the Defense Environmental Security Corporate Information Management Program. The final report for this project, no. 2000-015 was issued December 7, 2000. (W. Hopkins/(703) 604-9049).

**Audit of the Process Used to Certify that Major Automated Information Systems are Managed in Accordance with the Clinger-Cohen Act (D2000AS-0212).** The objectives are to evaluate DoD progress in implementing the statutory requirements of the

Clinger-Cohen Act and to determine whether DoD oversight processes and procedures provide the Chief Information Officer, DoD, sufficient basis to certify that DoD major automated information systems are managed in accordance with that Act. This audit was announced May 10, 2000. Project D2000-AS-0212.001, "Certification of the Army's Reserve Component Automation System" and Project D2000-AS-0212.002, "Certification of the Defense Integrated Military Human Resources System", were announced January 23, 2001. (W. Hopkins/(703) 604-9049).

**Audit of the Navy Marine Corps Intranet (D2000AS-0260).** The objective is to evaluate the Navy planning and acquisition of the Navy Marine Corps Intranet. We will review the development of system requirements, proposed funding and sources, the implementation and management of information assurance, and implementation of the Clinger-Cohen Act, and both DoD and Navy oversight and review processes for this acquisition. This was announced July 27, 2000. (W. Hopkins/(703) 604-9049).

**Information Assurance for Automated Information Systems (D2001AS-0011).** We will continue this series of audits to evaluate the planning and implementation of automated information systems programs. We will determine whether the selected programs comply with Federal and DoD security initiatives and whether DoD information assurance planning and oversight are adequate. (W. Hopkins/(703) 604-9049)

**Operational Test and Evaluation of Software Systems (D2001AB-0026).** The objective of this audit will be to evaluate the purpose and timing of Operational Testing and Evaluation (OT&E) on the development of DoD software systems. Specifically, we will examine when OT&E should occur and how it should be accomplished. (R. Spencer/(703) 604-9071)

**Acquisition Management of Automated Information Systems (D2001AL-0001).** We will continue this series of audits to evaluate the acquisition management of selected automated information system acquisition programs. Specifically, the selected information systems will be evaluated to determine if they are being cost effectively acquired, monitored, tested, and prepared for deployment and system life-cycle support. Guidance contained in DoD Directive 5000.1, "Defense Acquisition," DoD Regulation 5000.2-R, "Mandatory Procedures for Major Defense Acquisition Programs and Major Automated Information Systems," and Office of Management and Budget A-11 Part 3, "Planning, Budgeting, and Acquisition of Capital Assets" will be used as criteria. (C. Santoni/(703) 604-9051).

**Application of Y2K Lessons Learned (D2001AS-0006).** The objective of this audit will be to assess how widely and successfully the Department has applied the lessons learned from the Y2K conversion experience to other information technology programs and management issues. This audit was announced October 26, 2000. (W. Hopkins/(703) 604-9049).

**Audit of the Powered Low Cost Autonomous Attack System Advanced Technology Demonstration (D2001AB-0021).** The audit will examine the prototype “other transaction” agreement issued for Phase II of the Powered Low Cost Autonomous Attack System Program. The audit objective is to evaluate system development, operational and system requirements, and planned testing. This audit was announced October 2, 2000. The final report, no. D2001-106 was issued May 7, 2001. (R. Florence/(703) 604-9071)

**Audit of Information Technology Equipment Management, Office of Secretary of Defense (D2001FA-0040).** The objective is to determine whether information technology equipment in the possession of the Office of the Secretary of Defense (OSD) is adequately managed. Work on this project will include verifying the existence, completeness, and accuracy of information technology equipment databases and other records used to control equipment within OSD. This audit was announced October 13, 2000. The final report, no. D2001-096, was issued April 9, 2001. (C.J. Richardson/(703) 604-9582)

**Audit of the Implementation of DoD Public Key Infrastructure Policy and Procedures (D2001AS-0008).** The objective is to evaluate the implementation and management of Public Key Infrastructure (PKI) within DoD. Specifically, we will evaluate DoD oversight of PKI, coordination of PKI missions and pilot programs among the Military Departments and DOD agencies, and compliance with the Clinger-Cohen Act. This audit was announced September 12, 2000. (W. Hopkins/(703)604-9049)

**Audit of the Implementation of the Government Information Security Reform Act (D2001AD-0071).** The objective of the audit is to assess the DoD implementation of the Government Information Security Reform requirements of the Floyd D. Spence National Defense Authorization Act for FY 2001. This audit was announced January 16, 2001. (R. West/(703) 604-8983)

**Audit of the DoD’s Internet Access Practices and Policies (D2001AB-0065).** This audit is required by the Consolidated Appropriations Act, 2001, and requires a report to Congress by the Inspector General within 60 days. The overall objective is to evaluate the Department’s policies and practices with respect to personally identifiable information gathered on individuals who access DoD internet sites. Specifically, the audit will determine if the policies and procedures allow for data to be collected or lists to be created that contain personally identifiable information about individuals to include agreements with third parties. This audit was announced December 22, 2000. (R. Spencer/(703) 604-9071)

**\*Audit of the Standard Procurement System Functionality, Implementation, and Control (0FG-0091.00).** The audit is based on a request from the Chairman, House of Representatives, Committee on the Budget. The overall objective of the audit is to evaluate allegations related to the Standard Procurement System. Specifically, the audit will assess allegations related to functionality and user satisfaction, system implementation and operation, and system control. In addition, we will follow-up on recommendations made in Inspector General, DoD Report No. 99-166. "Initial

Implementation of the Standard Procurement System," May 26, 1999. This project was announced January 11, 2000. The final report, no. D2001-075, was issued March 13, 2001. (K. Caprio/(703) 604-9139)

**Audit of the Global Command and Control System (D2001LG-0101)** The audit objective is to evaluate the joint functionality, system integration, and operations of the Global Command and Control System. Specifically, we will evaluate whether the Joint Staff and the Defense Information Systems Agency are providing a single command, control, communications, computers, and intelligence system that satisfies the needs of the warfighter. (E. Klemstine/(703) 604-9172)

**Evaluation of Information Assurance for Computer-Intensive Weapon Systems (D2001PT-0098)** The objective of the evaluation is to determine whether information assurance policy and measures that are being applied to computer-intensive DoD weapon systems are effective. It will review information assurance issues for selected weapon systems. (K. Stavenjord/(703) 604-8952)

**Evaluation of Development Testing of Mission-Critical Software (D2001PT-0104)** The objective of the evaluation is to review issues concerning development testing of mission-critical software. Specifically, we will evaluate the completeness and adequacy of the development testing, to include planning, execution, and reporting. It will also evaluate the adequacy of responses to test results, as well as evaluate how testing deficiencies affect weapon system programs. This project was announced April 13, 2001. (K. Stavenjord/(703) 604-8952)

**Audit of DoD Web Site Administration, Policies, and Practices (D2001AB-0116)** The objective of the audit is to evaluate DoD policies and practices for web site administration and oversight. Specifically, it will review how Government or other servers host official DoD web sites, and how DoD Components register and monitor web sites for compliance with policy and safeguard sensitive information. This project was announced May 11, 2001. (R. Spencer/(703) 604-9071)

\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999



## ACQUISITION PROGRAM

**\*Follow-Up Audit on the Use of Funds Appropriated for Major Defense Systems (0AE-P001).** This audit will follow up on Office of the Inspector General, DoD, Audit Report No. 99-012, "Use of Funds Appropriated for Major Defense Systems," October 14, 1998. The primary objective of this audit will be to determine trends in the use of funds appropriated for the acquisition of major Defense systems. (J. Meling/ (703) 604-9091)

**\*Acquisition Management of Total Ownership Costs for Major Defense Systems (0AE-P002).** The primary objective of the audit will be to determine whether program managers are integrating the management of development and production costs for systems with the management of operation and support costs for systems. Specifically, we will determine whether the program managers, through integrating efforts, are providing a total ownership costs focus during program development so that trade-offs can be made between investments in developing and producing the system and reducing system operation and support costs. (J. Meling/(703) 604-9091)

**\*Audit of Development of Radio Frequency Weapon Threat Assessments (0AL-0088).** The objective for this audit is to determine whether the DoD and the Services are adequately reflecting radio frequency threats in their weapon systems' threat assessments. Specifically, the audit will determine how the radio frequency threats are developed and validated, and how they are incorporated into weapon system threat assessments. The final report was issued April 16, 2001. (C. Santoni/(703) 604-9051)

**\*Audit of the Protection of Systems Against Radio Frequency Weapons (0AL-0110).** Our objective is to determine whether the DoD is acquiring systems that are adequately protected against radio frequency weapons. Systems to be included in the review will be determined during the survey phase of the audit; however, systems that were addressed in the 8AL-0041 series of audits on this subject will not be revisited in this audit. We will determine the radio frequency threats for each selected system, whether the operational requirements document requires adequate protection against identified radio frequency threats, whether the system specification provides for protection against radio frequency emissions at a level that satisfies the requirements of the operational requirements document, and whether tests of radio frequency protection are planned and conducted at the level specified in the system specifications. (C. Santoni/(703) 604-9051)

**\*Audit of the Use of Exit Criteria for Major Defense Systems (D2000AE-0084).** The objective is to evaluate milestone decision authorities use of exit criteria to track program progress in important technical, schedule, and management risk areas. Specifically, we will determine whether milestone decision authorities are using appropriate exit criteria to

track acquisition program progress in meeting program goals and to aid in deciding whether programs should be allowed to continue within an acquisition phase or to progress to the next acquisition phase. The final report, 2001-032, was issued January 10, 2001. (J. Meling/(703) 604-9091)

**\*Audit of the Acquisition of the Battlefield Combat Identification System (D2000AE-0210).** The objective is to evaluate the overall management of the Battlefield Combat Identification System. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the full-rate production phase of the acquisition process. This audit was announced May 8, 2000. The final report, no. D2001-093, was issued March 31, 2001. (J. Meling/(703) 604-9091)

**\*Audit of the Acquisition of the Armored Medical Evacuation Vehicle (D2000AE-0208).** The objective is to evaluate the overall management of the Armored Medical Evacuation Vehicle. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. The final report for this project, no. 2001-012 was issued November 22, 2000. (J. Meling/(703) 604-9091).

**\*Audit of the Acquisition of the Advanced Tank Armament System (D2000AE-0211).** The objective is to evaluate the overall management of the Advanced Tank Armament System. Because the program is in the program definition and risk reduction acquisition phase, our audit will determine whether management is cost-effectively readying for the engineering and manufacturing development phase of the acquisition process. This audit was announced May 8, 2000. The final report, no. D2001-066, was issued February 28, 2001. (J. Meling/(703) 604-9091).

**\*Audit of the Acquisition of the Joint Helmet Mounted Cueing System (D2000AB-0220).** The audit objective is to evaluate the overall management of the Joint Helmet Mounted Cueing System. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. This project was announced June 7, 2000. The final report, no. D2001-103, was issued April 18, 2001. (R. Spencer/(703) 604-9071).

**\*Audit of the Acquisition of the Combat Survivor Evader Locator (D2000AL-0230).** The audit objective is to evaluate the overall management of the Combat Survivor Evader Locator, and review applicable management controls. The final report, no. 2001-036, was issued January 25, 2001. (C. Santoni/(703) 604-9051).

**\*Audit of Equipment Procurement for the National Guard and Reserve Forces (D2000AB-0232).** The overall objective is to determine the use of funds in the National Guard and Reserve Appropriations. Specifically, we will determine if the funds

appropriated to procure equipment have been used for that purpose and if the equipment has been delivered in accordance with approved acquisition plans. We will review selected procurements during Fiscal Years 1996-2000. The final report, no.2001-047, was issued February 7, 2001. (R. Spencer/(703) 604-9071).

**\*Audit of Acquisition of the Airborne Laser Mine Detection System (D2000AE-0242).** The overall objective is to evaluate the management of the Airborne Laser Mine Detection System. Because the program is in the program definition and risk-reduction acquisition phase, the audit will determine whether management is cost-effectively developing and readying the program for the engineering and manufacturing development phase of the acquisition process. This project was announced June 30, 2000. The final report, no. D2001-111, was issued May 2, 2001. (J. Meling/(703) 604-9091

**\*Audit of the On-Board Jammers for the Integrated Defensive Electronic Countermeasures (D2000AL-0243).** The overall objective is to evaluate the test planning and requirements for the ALQ-165 and the ALQ-214 On-Board Jammers. This project was announced July 6, 2000. The final report, no. D2001-086, was issued March 20, 2001. (C. Santoni/(703) 604-9051)

**\*Audit of Fielded Chemical Detection and Alarm Systems (D2000AD-0259).** The overall objective is to evaluate the effectiveness and efficiency of the Fielded Chemical Agent Detection, Monitor, and Alarm Systems and their auxiliary components. Specifically, we will review the technical capabilities, readiness, and logistics support of the Detection, Monitor, and Alarm Systems. This audit was announced August 4, 2000. (R. West/(703) 604-8983)

**\*Audit of the Management of the Joint Simulation System (D2000AL-0284).** The audit is being initiated in response to a request from the Director, Joint Staff. The audit objective is to evaluate the financial and program management of the Joint Simulation System program. Specific objectives will be determined at the conclusion of the survey phase. This audit was announced September 1, 2000. The final report, no. D2001-089, was issued March 30, 2001. Project D2000-D000AL-0284.001 was announced January 25, 2001. (C. Santoni/(703) 604-9051)

**Program Management Audits of Major Acquisition Programs (2001-DAE-0023).** The primary objective of the audits will be to determine whether program managers for selected major acquisition programs are adequately readying the programs for their next milestone decision points in the acquisition process. We will follow our critical program management elements approach for the audits and focus on high-risk areas and areas of special interest to the programs' managers at all levels. We will also determine whether the programs are implementing smart business practices and are making full use of the flexibilities available through acquisition reform initiatives. (J. Meling/(703) 604-9091)

**Audit of the Acquisition of the Vertical Take-off and Landing Tactical Unmanned Aerial Vehicle (D2001AE-0080).** The objective is to evaluate the overall management of the Vertical Take-off and Landing Tactical Unmanned Aerial Vehicle Program. Because the program is in the engineering and manufacturing development phase, the audit will determine whether management is cost-effectively developing and readying the program for the full-rate production phase of the acquisition process. This project was announced February 20, 2001. (J. Meling/(703) 604-9091)

**Audit of the Reconnaissance, Surveillance, and Targeting Vehicle Program (D2001AB-0020).** The objective is to evaluate the Navy acquisition planning and development of the Reconnaissance, Surveillance, and Targeting Vehicle. We will review the system requirements, program coordination, and management on additional or revised objectives. This audit was announced October 2, 2000. The final report, no. D2001-115 was issued May 8, 2001. (R. Spencer/(703) 604-9071)

**Audit of the Acquisition Management of the Joint Personnel Adjudication System (D2001AL-0012).** The objective is to evaluate the acquisition management of the Joint Personnel Adjudication System by the Air Force Security and Communications Management Directorate. Specifically, the audit will determine whether the system is being cost-effectively acquired, monitored, tested, and prepared for deployment and system life cycle support in accordance with DoD Directive 5000.1, "Defense Acquisition," and DoD Directive 5200.28, "Security Requirement for Automatic Data Processing (ADP) Systems." This audit was announced September 15, 2000. The final report, no. D2001-112 was issued May 5, 2001. (C.Santoni/(703) 604-9051)

**Audit of Acquisition of the Wide Area Munition (D2001AE-0011).** The objective is to evaluate the overall management of the Wide Area Munition. Because the program is in the engineering and manufacturing development acquisition phase, the audit will determine whether management is cost-effectively developing and readying the program for the full-rate production phase of the acquisition process. This audit was announced September 18, 2000. (J. Meling/(703) 604-9091)

**Audit on Operations of the National Assessment Group (D2001AD-0027).** The objective is to evaluate the overall management of the National Assessment Group's program, activities, and functions. Specifically, we will determine whether management is adequately planning and executing the budget, implementing adequate contracting procedures, and following established security guidance. This project was announced October 5, 2000. (K. West/(703) 604-8983)

**Audit of the Acquisition of the Firefinder II (AN/TPQ-47) Radar (D2001AE-0047).** The objective is to evaluate the overall management of the Firefinder II Radar. Because the program is in the engineering and manufacturing development acquisition phase, our audit will determine whether management is cost-effectively readying the program for the production phase of the acquisition process. This audit was announced October 26, 2000. (J. Meling/(703) 604-9091)

**Audit of the Acquisition of the MK 54 Lightweight Hybrid Torpedo (D2001AL-0062).** The objective of the audit is to evaluate the overall management of the MK 54 Lightweight Hybrid Torpedo. The audit was announced December 18, 2000. (C. Santoni/(703) 604-9051.)

**Audit of Hotline Allegation Concerning the Use of Federal Acquisition Regulation Part 12 Contract to Acquire the C-17 Aircraft (D2000AE-0272.001).** This audit is a follow up of audit project D2000AE-0272, started on August 16, 2000 with final report no.D2001-051, issued on February 15, 2001. This current audit was initiated based on the Hotline allegation that DoD plans to inappropriately use Federal Acquisition Regulation (FAR) Part 12, "Acquisition of Commercial Items," procedures to acquire C-17 aircraft, which would adversely effect the ability of DoD to ensure fair and reasonable contract prices. We will examine the documentation and process related to determining whether the C-17 aircraft is a commercial item. This audit was announced November 13, 2000 and was cancelled on February 8, 2001. (J. Meling/(703) 604-9091)

**Audit of the Implementation of a Cost Accounting System for Visibility of Weapon Systems Life-Cycle Costs (D2001AE-0063).** The overall audit objective is to evaluate implementation of the cost accounting system for weapon systems. Specifically, we will determine whether DoD has defined requirements, established an implementation plan, and begun implementing a cost accounting system. Additionally, we will determine whether the planned accounting system satisfies the requirement in Statement of Federal Financial Accounting Standards No. 4, "Managerial Cost Accounting Standards," for DoD to accumulate and report the cost of its activities on a regular basis for management information purposes. The audit was announced on January 5, 2001. (J. Meling/(703) 604-9091.)

**Audit of Government Performance and Results Act Goals: Major Defense Acquisition Programs Cycle Time (D2001AB-0066).** Our overall objective will be to evaluate the Major Defense Acquisition Programs Cycle Time goal of Government Performance and Results Act, shown in the "2000 Secretary of Defense Annual Report" to the President and the Congress. Specifically, we will assess the validity of the process, data, and factors used to establish the goals related to Major Defense Acquisition Programs Cycle Time. Further, we will evaluate the methods used to accumulate and report the actual data collected by DoD against those goals. The audit was announced January 5, 2001. (R. Spencer/(703) 604-9071)

**Audit of the Acquisition of the Naval Fires Control System (D2001AE-0069).** The objective is to evaluate the overall management of the Naval Fires Control System. Because the program is in the engineering and manufacturing development acquisition phase, the audit will determine whether management is cost-effectively readying the program for the production phase of the acquisition process. The audit was announced January 10, 2001 (J. Meling/(703) 604-9091)

**Audit of the Acquisition of the Joint Service Lightweight Standoff Chemical Agent Detector (D2001AE-0088).** The objective is to evaluate the overall management of the Joint Service Lightweight Standoff Chemical Agent Detector. Because the program is in the engineering and manufacturing development acquisition phase, the audit will determine whether management is cost-effectively readying the system for the production phase of the acquisition process. This project was announced March 7, 2001. (J. Meling/(703) 604-9091)

**Audit of a Launch Contract (D2001AD-0095).** The audit was requested by the Senate Select Committee on Intelligence and the House Permanent Select Committee on Intelligence in the Intelligence Authorization Bill for FY 2001 and its attached report. The objective will be to review a specified launch contract to determine whether the contract and any changes are in the best interest of the Government. This project was announced March 23, 2001. (K. West/(703) 604-8983)

**Audit of the Management of Developmental and Operational Test Waivers for Defense Systems (D2001AE-0123)** The objective of the audit is to evaluate the overall management of waivers of developmental and operational test requirements for Defense systems. Specifically, it will evaluate the process for justifying, reviewing, and approving the waiver of developmental and operational testing requirements for Defense systems. This project was announced May 11, 2001. (J. Meling/(703) 604-9091)

\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999

## CONTRACTOR OVERSIGHT

**Audit of the Defense Logistics Agency Industrial Prime Vendor Program (Project No. D1999CF-0104).** We will determine whether the Defense Logistics Agency's Industrial Prime Vendor Program is obtaining the best value for its customers and DoD. This project was announced on April 13, 1999. Final report no. D2001-072 was issued March 5, 2001. Sub-Project 1999CF-0104.001 was announced January 18, 2001 (T. McKinney/(703) 604-9288)

**Review of Defense Logistics Agency and Contractor Purchasing Environments (Project No. \*\*D1999CF-0077).** At the request of the Office of the Under Secretary of Defense for Acquisition and Technology, we will analyze spare parts classified in the replenishment and catalog purchasing environments to identify key users and potential impediments and cost reductions associated with these purchasing methods. Specific objectives will focus on determining current logistics response times, stock levels, and potential cost reductions associated with shifting from the current method of support to a more tailored approach. The final report, no. D2000-192, was issued September 26, 2000. Project No. 1999CF-0077.001 was announced January 18, 2001. (T. McKinney/(703) 604-9288)

**Audit of the Procurement of Free Weights by Military Organizations (Project No. D1999CH-0090).** In response to a tasking proposed in section 1045 of the National Defense Authorization Bill for Fiscal Year 2000, we will audit the procurements of free weights for use in strength training by members of the Armed Forces stationed at DoD installations in the United States. We will determine whether contracting officers complied with the Buy American Act (41 U.S.C. 10a) when they purchased free weights. The final report for this project, no. 2001-028 was issued December 27, 2000. (G. Stephenson/(703) 604-9219)

**\*Adequacy of Contracting Officer Determination of Price Reasonableness when Cost or Pricing Data are not Required (OCF-0111).** Federal Acquisition Regulation Part 15 prescribes types of information that may be used and the order of precedence for obtaining the information to determine price reasonableness when certified cost or pricing data are not required. The primary objective of this audit will be to determine whether the contracting officer obtained information in accordance with the regulation and whether these reasonableness determinations were adequate. (T. McKinney/(703) 604-9288)

**\*Competitive Sourcing of Defense Agency and Defensewide Commercial Activities (D2000CH-0076).** The overall objective is to evaluate the implementation of the competitive sourcing program for Defense Agency and Defensewide commercial activities. Specific objectives are to determine the adequacy of independent reviews of

recently completed Office of Management and Budget (OMB) A-76 cost comparison studies, determine whether most efficient organizations (MEOs) were implemented for activities where DoD employees won A-76 competitions, evaluate justifications for direct conversions of commercial activities to contract, and evaluate implementation of the Federal Activities Inventory Reform (FAIR) Act. Final report no. D2001-023 was issued December 20, 2000, and final report no. D2001-127 was issued May 23, 2001. Project No. D2000CH-0076.003 was announced December 29, 2000, and Projects No. D2000CH-0076.004 and No. D2000CH-0076.005 were announced March 28, 2001 (G. Stephenson/(703) 604-9332)

**Waivers of Requirement for Contractors to Provide Certified Cost or Pricing Data (0CH-0106).** As directed by the Senate Committee on Armed Services Report on the National Defense Authorization Act for Fiscal Year 2000, we will determine whether waivers of the requirement for contractors to provide certified cost or pricing data granted in FYs 1997 and 1998 were properly justified and appropriately used, and whether DoD had taken steps to ensure that prices were fair and reasonable when the requirement was waived. This project was announced January 19, 2000 The final report, no. D2001-061, was issued February 28, 2001. (G. Stephenson/ (703) 604-9332)

**\*Audit of Maintenance and Repair Type Contracts Awarded by the U.S. Army Corps of Engineers, Wiesbaden, Germany (0CK-5109)** Our objective is to review the award and administration of maintenance and repair type contracts awarded by the U.S. Army Corps of Engineer, Wiesbaden, Germany. This project was announced December 17, 1999. (J. Doyle/(703) 604-9348)

**\*Audit of the Use of Unpaid Consultants by the DoD Exchange Services (D2000CK-0082).** The audit was requested by the Chairman and Ranking Democrat, Special Oversight Panel on Morale, Welfare and Recreation, Committee on Armed Services, U.S. House of Representatives. They requested that we review the propriety of the military exchanges using consultants in certain instances. The objective of the audit is to determine whether the use of consultants complies with prevailing ethics laws and regulations. This audit was announced December 21, 1999 and the final report, no. D2001-005, was issued October 16, 2000. (J. Doyle/(703) 604-9348)

**\*Audit of the Army Healthcare Enterprise Management System(D2000CH-0108).** The audit is being conducted in response to allegations to the Defense Hotline. The audit (0CH-8103) objective is to evaluate whether the Information Technology Business Center, Fort Sam Houston, Texas, followed procurement regulations in awarding and administering the Army Health Care Enterprise Management System contract. The final report, No. 2001-034, was issued January 16, 2001. (G. Stephenson (703) 604-9332)

**\*Audit of the Commercial Operations and Support Savings Initiative Program (D2000AB-0113).** The audit (0AB-0126) will examine the management of the Commercial Operations and Support Savings Initiative (COSSI) program. We will conduct the audit at the offices of Army Communications -Electronic Command, Naval



Air Systems Command, Naval Sea Systems Command, Air Force Logistics Commands at Ogden and Sacramento, Air Force Electronics Command. Other organizations will be identified during the audit. This project was announced February 18, 2000. (R. Spencer/(703) 604-9071)

**\*Audit of the Contract Award for the Fluid Flow Restrictor Spare Part (D2000CF-0155).** The audit is being performed as a result of a congressional request. The audit objective is to determine whether the Defense Logistics Agency properly awarded the contract for the fluid flow restrictor (NIIN 00-942-9149) to a contractor that resulted in the best value for the government. The final report for this project, report no. 2001-001 was issued October 3, 2000. (T. McKinney/(703)604-9288)

**\*Audit of the DoD Review of Safety Critical Threaded Fasteners and Components (D2000CK-197).** The audit will be conducted in response to allegations to the Defense Hotline. The overall objective is to determine whether the DoD "Joint Aerospace Threaded Fasteners/Components Review," dated February 15, 2000, adequately examined safety critical threaded fasteners and components used by the Services. This audit was announced April 13, 2000. (J. Doyle/(703) 604-9349)

**\*Audit of Service Contracts at the National Security Agency (D2000AD-0213).** The objective is to determine whether the National Security Agency followed appropriate contracting policies and procedures in awarding and administering service contracts. This audit was announced May 9, 2000. The final report, no. D2001-102, was issued April 17, 2001. Project D2000-AD-0213.002 was announced January 30, 2001. (R. West/(703) 604-8983)

**\*Audit of the Acquisition of Mission-Essential General and Industrial Spare Parts for Major Weapon Systems (D2000LD-0206).** The audit, in response to allegations to the Defense Hotline, will evaluate whether procurement support was adequate in acquiring mission-essential general and industrial spare parts for major weapons systems. This audit was announced May 23, 2000. The final report, no. D2001-076, was issued March 13, 2001. (T. Schraden/(703) 604-9186)

**\*Audit of the Extended Pilot Program on Sales of Manufactured Articles and Services of Army Industrial Facilities (D2000CH-0239).** The audit is the result of a tasking in the National Defense Authorization Act for Fiscal Year 2000. The Inspector General previously provided two reports on the pilot program (Report No. 99-121, April 2, 1999 and Report No. 99-203, July 8, 1999). The primary audit objective will be to determine the success of the pilot program. Specifically, we will determine whether the waiver of 10 USC 4543(a)(5) enhanced opportunities for United States manufacturers, assemblers, developers, or other concerns; Army industrial facilities; and small businesses to enter or participate in contracts and teaming arrangements under DoD weapon system programs. This project was announced June 30, 2000. The final report, no. D2001-069, was issued March 1, 2001. (E. Kissner/(703) 604-9323)

**\*Audit of Management of Contracts for F110 Engine Procurements (D2000CF-0276).** The audit is being conducted in response to allegations made to the Defense Hotline. The objective is to determine whether procurement officials properly managed the contracts for procurement of F110 engines and whether overpayments due the Government were recouped. This audit was announced August 24, 2000. The final report, no. D2001-094, was issued April 4, 2001. (T. McKinney/(703) 604-9288)

**Audit of Award and Administration of Contracts for Maintenance, Repair and Rebuilding of Equipment Services (D2001-D000CF-0019).** The primary objective of this audit is to determine whether contracting and program officials adequately contracted for and administered contracts for maintenance, repair and rebuilding of equipment services. (T. McKinney/(703) 604-9288)

**Use of Contracted Advisory and Assistance Services (2001-D000CH-0029).** The primary objective is to determine the adequacy of practices for acquiring contracted advisory and assistance services (CAAS). The audit will evaluate the procedures for determining the price reasonableness of CAAS, the nature and extent of the use of sole-source contracts, and compliance with statutory and regulatory requirements on the use of CAAS. (G. Stephenson/(703) 604-9332)

**DoD Paperless Contracting Program (2001-D000CH-0031).** The primary objective is to evaluate Service and Defense agency reporting systems for tracking progress in meeting the goal for six types of acquisition transactions, to identify impediments, and to determine if potential savings resulting from electronic commerce technologies are being realized. (G. Stephenson/(703) 604-9332)

**Audit of Contractor Performance Assessments (2001-D000CK-0035).** The audit objective will be to determine if DoD components are conducting contractor performance assessments in accordance with recent policy issued by the Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics. Further, we will determine if negative performance assessments are reported in a timely manner and whether effective corrective actions are taken. (J. Doyle/(703) 604-9348)

**Audit of the Industrial Prime Vendor Program at Air Force Air Logistics Centers (D2001CF-0091).** The audit is being performed as a follow-on to previous audits of commercial buying practices used by the Defense Logistics Agency. The overall objective is to determine whether the Defense Logistics Agency's Industrial Prime Vendor program is being effectively implemented and providing the best value for the Air Force Air Logistics Centers. (T. McKinney/(703) 604-9288)

**Contract Audit Followup (2001-D000CG-0043).** The audit will review tracking, reporting, and settlement of contract audit recommendations contained in audit reports issued by the Defense Contract Audit Agency to the Military Departments and Defense agencies. The primary objective of the audit will be to determine whether the DoD Components have established audit followup systems that meet the requirements of

Office of Management and Budget Circular A-50, "Audit Followup," and DoD Directive 7640.2, "Policy for Followup on Contract Audit Reports." The audit will also determine whether DoD contracting officers adhere to DoD policies for followup on contract audit reports when settling contract audit issues. (W. Million/(703) 604-9312)

**Balkan Sustainment Contracts (2001-D000CG-0045).** The primary objective is to determine the efficiency and effectiveness of all support contracts in the Balkan region. Specifically, we will review unprogrammed expenditures and the administration and execution of the contracts. (W. Million/(703) 604-9312)

**Evaluation of the Defense Supply Centers' Quality Assurance Program (D2001PT-0023).** The objective is to evaluate the Defense Supply Centers' Quality Assurance Program. Specifically, we will evaluate the effectiveness of the Qualified Products List and Qualified Manufacturers List Programs at the Richmond and Columbus Defense Supply Centers in expediting the purchase of quality commodities and reducing Government oversight. This audit was announced October 4, 2000. (K. Stavenjord/(703) 604-8952)

**Audit of Use and Control of Military Interdepartmental Purchase Requests (D2001CH-0032).** The objective is to determine whether military interdepartmental purchase request policies and procedures are adequate and economical. This audit was announced October 12, 2000. (G. Stephenson/(703) 604-9332)

**Followup Audit of Procurements of Military Clothing and Related Items by Military Installations in the United States (D2001CH-0046).** The audit is in response to a tasking from the House Committee on Armed Services Report on the National Defense Authorization Act for FY 2001. The committee expressed concern over the number of violations of the Buy American Act identified in Inspector General, DoD, Report No. 99-023, "Procurement of Military Clothing and Related Items by Military Organizations," October 29, 1998, and tasked the Inspector General to conduct a followup audit of procurements of military clothing and related items by military installations during fiscal years 1998 and 1999. This audit was announced October 26, 2000. (E. Kissner/(703) 604-9323)

**Audit of Multiple Award Service Contracts (D2001-D000CF-0057).** The overall objective is to follow up on actions taken by the Under Secretary of Defense for Acquisition, Technology, and Logistics in response to Report No. 99-116, "DoD Use of Multiple Award Task Order Contracts." Specifically we will review the accuracy of multiple award contract data provided to the Under Secretary of Defense for Acquisition, Technology, and Logistics by the Military Departments to assess progress in using these types of contracts. This audit was announced December 5, 2000. (T. McKinney/(703) 604-9288)

**Audit of DoD Use of Performance Based Payments Made to Defense Contractors (D2001CK-0061).** The overall objective is to determine whether DoD procedures are adequate for administering performance based payments to Defense contractors. Specifically, we will review how performance based payments are negotiated, verified, and paid. This audit was announced December 15, 2000. (J. Doyle/(703) 604-9349.)

**Audit of Office of Management and Budget Circular A-76 Competition at Lackland Air Force Base, Texas (D2001CH-0064).** We will determine whether the A-76 process was fairly and impartially conducted by the Air Force during the Lackland Air Force Base study. The audit was announced on December 22, 2000. The final report, no. D2001-118, was issued May 14, 2001. (G. Stephenson/(703) 604-9332)

**\*Audit of DoD Actions to Achieve the Government Performance and Results Act Goal to Streamline the DoD Infrastructure (D2000CG-0141).** The objective will be to determine whether DoD actions are effective with respect to fulfilling the goal of streamlining the DoD infrastructure. This effort will support the validation of information and data submitted as a measurement of success in achieving Government Performance and Results Act goals. This audit was announced March 20, 2000. The final report, no. D2001-080, was issued March 15, 2001. (B. Wan/(703) 604-9259)

**\*Audit of Protection of the Infrastructure Against Radio Frequency Weapons (D2000AL-0202).** The objective is to determine whether the DoD infrastructure and civilian infrastructure support to national security are protected against radio frequency weapons. Specifically, the audit will examine the plans and the status of their implementation to protect the infrastructure from attacks by radio frequency weapons. The audit will also determine the extent to which the DoD and the Services would be affected by an attack on the infrastructure by radio frequency weapons and their ability to provide civil support. This project was announced April 26, 2000. (C. Santoni/(703) 604-9052).

**Audit of the Defense Information Systems Agency's FY 2000 Data for Right Sizing (D2001CG-0050).** The objective is to validate the accuracy and completeness of the FY 2000 data used to support the Defense Information Systems Agency right-sizing plans and to determine if the data was fairly and equitably applied. This project was announced November 1, 2000. (W. Million/(703) 604-9312.

## LOGISTICS

**\*Mission Capable Rates for Critical Major Weapon Systems (0LA-P002).** This audit will determine whether currently fielded critical major weapon systems are being supported and maintained at readiness levels commensurate with joint force requirements. Specifically, the audit will examine the readiness of those weapon systems across the full spectrum of anticipated contingencies and with minimal warning time. (H. Geyer/ (703) 604-9593)

**\*Joint and Multinational Training (0LA-P003).** This audit will determine whether the combatant commands and their subordinate Service Component Commands and Joint Task Forces have demonstrated the capability to conduct coalition operations. The audit would analyze the results of significant joint and combined exercises, improvements in the interoperability of Service and allied components' forces and weapons systems, significant alterations of command relationships, and recent deployments. (H. Geyer/ (703) 604-9593)

**\*Management of Nondemand Based Secondary Items (0LD-P002).** This audit will evaluate the management of secondary items categorized by the DoD inventory control organizations as nondemand based items to determine if management, stockage, and procurement procedures are in accordance with DoD policy. (T. Schraden/(703) 604-9186)

**\*Implementation of Phase II of the Nonconsumable Item Program (0LD-P003).** This audit will determine the additional costs that are incurred by the DoD as a result of the duplication of materiel management functions by the Military Departments in Phase I of the Nonconsumable Item Program (the Program). The audit will specifically evaluate the Military Department justifications for exempting items in Phase I from full implementation into Phase II of the Program. (T. Schraden/(703) 604-9186)

**\*Interservice Pricing Policy for Depot Level Repairable Items (0LD-P004).** This is a joint audit requested by the Joint Logistics Commanders that will be coordinated by the Joint Logistics Audit Planning Group. The audit will evaluate the DoD interservice policy for pricing depot level repairables. The audit will also determine if the Military Department procedures for interservice billing of depot level repairables are appropriate and consistent. (T. Schraden/(703) 604-9186)

**\*Audit of Procurement of Software Programs Used by the Composite Health Care System II (D2000LF-0030).** The audit is in response to a DoD Hotline allegation related to the award of a contract for commercial software used by the Composite Health Care System II. The objective is to determine whether DoD followed appropriate acquisition

regulations when it awarded the contract. The final report, no. 2001-038, was issued January 29, 2001. (M. Joseph/(757) 766-9108)

**\*Audit of Unfunded Depot Maintenance Requirements (D2000FJ-0103).** The audit objective is to determine whether the information used to compute the DoD unfunded depot maintenance requirements was consistently and accurately applied. In addition, we will determine whether the goal of reducing unfunded depot maintenance requirements is being achieved. As a part of the audit, we will review internal controls to determine whether management complied with the Government Performance and Results Act of 1993. The final report, no. 2001-033, was issued January 12, 2001. (J. Kornides/(614) 751-1400)

**\*Management and Oversight of the DoD Weather Program (D2000LG-0102).** This audit will evaluate DoD meteorological and oceanographic support services. We will determine whether the Military Departments provide the most cost effective and non-duplicative meteorological and oceanographic support services to themselves and other governmental agencies. We will also review oversight of the programs and support to non-DoD meteorological and oceanographic programs. The final report for this project, no. 2000LG-0102 was issued December 14, 2000. Sub-project D2000LG-0102.001 was announced August 16, 2000. Sub-projects D2000LG-0102.003 and D2000LG-0102.004 were announced December 11, 2000, and sub-project D2000LG-0102.005 was announced March 30, 2001. (E. Klemstine/(703) 604-9172)

**\*Audit of Effectiveness of the DoD Transportation System in Improving Logistics Response Time for DoD Organizations Outside the Continental United States (0LH-P002).** This audit will evaluate the effectiveness of the DoD transportation system in supporting the DoD strategic goal of reducing logistics response time as it relates to the DoD supply system customers located outside the Continental United States (CONUS). Specifically, we will evaluate the process and the actual time expended to transport supply items from the supply system to Consolidation Containerization Points (CCPs), for processing within the CCPs, and for inside CONUS in-transit shipments prior to movement to customers outside CONUS. (R. Murrell/(703) 604-9210)

**\*Audit of the Management of National Guard and Reserve Forces' Chemical and Biological Defense Resources (0LA-0117).** The overall objective of the audit is to evaluate the management of chemical and biological defense resources in the National Guard and Reserve Forces. The audit will focus on units and individuals who mobilize and deploy during the first 90 days of hostilities (M-day through D + 90). In addition, we will evaluate the program management of National Guard units charged with chemical and biological defense responsibilities for homeland defense. This audit was announced December 3, 1999 and the final report, D2001-054, was issued February 21, 2000. (H. Geyer/(703) 604-9174)

**\*Audit of Product Verification Program (Project No. D2000CF-0111).** This audit (OCF-0125) will determine how products are selected for testing and whether the program's testing plan is adequate. The audit will also determine whether the Product Verification Program managers and quality assurance specialists are using the test results to purge nonconforming inventory from the DLA depots and to identify contractor and product problems. The final report for this project, report no. 2001-002 was issued October 12, 2000. Final report no. D2001-054 for subproject .001 was issued February 21, 2001. (T. McKinney/(703) 604-9288)

**\*Audit of the Government Performance and Results Act Goals: Army Tank Miles (D2000LH-0138).** The overall objective will be to evaluate tank mile goals of the Government Performance and Results Act, shown in the "2000 Secretary of Defense Annual Report to the President and the Congress." Specifically, we will assess the validity of the process, data, and factors used to establish the goals related to tank miles. Further, we will evaluate the methods used to accumulate and report the actual data collected by DoD against those goals. This project (0LH-0131) was announced March 13, 2000. (R. Murrell/(703) 604-9210)

**\*Audit of the Government Performance and Results Act Goals: Strategic Mobility (D2000LH-0143).** Our overall objective will be to evaluate strategic mobility goals of the Government Performance and Results Act, shown in the Secretary of Defense's "Annual Report to the President and the Congress" for 2000. Specifically, we will assess the validity of the processes, data, and factors used to establish the goals related to strategic mobility. Further, we will evaluate the methods used to accumulate and report the actual data collected by DoD against those goals. This audit was announced March 22, 2000, and cancelled November 28, 2000. Final report no. D2001-128 was issued from sub-project no. D2001-LH-0143.002. (R. Murrell/(703) 604-9210)

**\*Audit of Allegations to the Defense Hotline Concerning the Apache Helicopter Prime Vendor Support Program (D2000LH-0252).** The audit is being conducted in response to allegations that the Army's assessment of an unsolicited proposal for the Apache Helicopter Prime Vendor Support Program was biased in favor of keeping Apache helicopter logistics support in-house. This audit was announced July 19, 2000, and reannounced September 18, 2000. The reannounced objective is to evaluate the adequacy of management controls to preclude potential conflicts of interest and ensure the integrity and inclusiveness of data used for management decisions. (R. Murrell/(703)604-9210)

**\*Audit of Accountability and Control of Material at Maintenance Depots (D2000LH-0285).** The overall audit objective will be to evaluate the effectiveness of policies and procedures used to account for and control material used by depot maintenance facilities. This audit was announced September 11, 2000. (R. Murrell/(703) 604-9180)

**Management of Safety Levels for Wholesale Inventory of Secondary Items (D2001LD-0007).** This audit will evaluate the management of the wholesale inventory of secondary items to determine if safety levels for the items are accurate and appropriate. The audit will also determine the impact of safety levels on achieving supply availability performance goals. Additionally, the audit will determine if applicable management controls have been established at DoD inventory control organizations. (T. Schraden/(703) 604-9186)

**GPRA Performance Goal 2.1.1. Enlisted Recruiting (D2001LF-0009).** This audit will review Government Performance and Results Act (GPRA) Performance Measurement Goal 2.1.1, Enlistment Recruiting, as shown in the 2000 Secretary of Defense “Annual Report to the President and the Congress.” The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to verify and validate the goal, the calculation of actual and projected performance, and the stated implications for the future. (M. Joseph/(757) 766-9108)

**GPRA Performance Goal 2.1.2. Quality Benchmarks for Enlisted Recruits (2001-D000LF-0013).** This audit will review Government Performance and Results Act (GPRA) Performance Measurement Goal 2.1.2, Quality Benchmarks for Enlisted Recruits, as shown in the Secretary of Defense’s “Annual Report to the President and the Congress” for 2000. The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to verify and validate the goal, the calculation of actual and projected performance, and the stated implications for the future. (M. Joseph/(757) 766-9108)

**GPRA Performance Goal 2.1.3A. Active Component Enlisted Retention Rates (2001-D000LF-0015).** This audit will review Government Performance and Results Act (GPRA) Performance Measurement Goal 2.1.3A, Active Component Enlisted Retention Rates, as shown in the Secretary of Defense’s “Annual Report to the President and the Congress” for 2000. The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to verify and validate the goal, the calculation of actual and projected performance, and the stated implications for the future. (M. Joseph/(757) 766-9108)

**GPRA Performance Goal 2.1.3B. Selected Reserve Enlisted Attrition Rates (2001-D000LF-0017).** This audit will review Government Performance and Results Act (GPRA) Performance Measurement Goal 2.1.3B, Selected Reserve Enlisted Attrition Rates, as shown in the Secretary of Defense’s “Annual Report to the President and the Congress” for 2000. The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to verify and validate the goal, the calculation of actual and projected performance, and the stated implications for the future. (M. Joseph/(757) 766-9108)



**GPRA Performance Goal 1.2.13. Flying Hours (2001-D000LF-0021).** This audit will review Government Performance and Results Act (GPRA) Performance Measurement Goal 1.2.13, Flying Hours, as shown in the Secretary of Defense's "Annual Report to the President and the Congress" for 2000. The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to verify and validate the goal, the calculation of actual and projected performance, and the stated implications for the future. (M. Joseph/(757) 766-9108)

**Aircraft Readiness (2001-D000LA-0001).** This audit (previously D000LA-0038) will determine whether currently fielded critical aircraft weapon systems are being supported and maintained at readiness levels commensurate with joint force requirements. Specifically, the audit will examine the readiness of those weapon systems across the full spectrum of anticipated contingencies, and with minimal warning time. This audit was announced August 25, 2000. (H. Geyer/(703) 604-9174)

**GPRA Performance Goal 1.2.5 Army Deployment Tempo (2001-D000LA-0039).** This audit will review the Government Performance and Results Act (GPRA) Performance Goal 1.2.5., Army Deployment Tempo, as shown in the Secretary of Defense's "Annual Report to the President and Congress" for 2000. The audit will determine the accuracy and validity of the methodology used to develop the measurement goal, the data sources used to validate and verify the goal, the calculation of actual and projected, and the stated implications for the future. (H. Geyer/(703) 604-9174)

**Audit of the Management of the DoD Intermodal Container System (D2001LA-0059).** The audit will determine whether DoD effectively and efficiently manages the intermodal container system. Specifically, it will determine how DoD Components attain and maintain a container-oriented distribution system of sufficient capability to meet DoD-established mobilization and deployment goals while ensuring commonality and interchangeability of intermodal containers, hardware, and equipment between the Services and commercial industry. The audit was announced January 17, 2001 (R. Murrell/(703) 604-9180)

**Audit of the DoD Stockage of Aviation Repair Parts (D2001LD-0076).** The audit objective will be to evaluate the effectiveness of the DoD initiative to improve supply support to aviation weapon systems by increasing the stockage levels of consumable repair parts. The audit was announced on February 6, 2001. (T. Schraden/(703) 604-9186)

**Audit of the DoD Total Asset Visibility Program (D2001LD-0078).** The overall audit objective will be to evaluate the effectiveness of the DoD Total Asset Visibility Program. Specifically, it will determine whether Integrated Materiel Managers in DoD are collecting, verifying, and reporting accurate, complete, and timely data on materiel asset visibility and accessibility that is fully integrated into Joint Total Asset Visibility. The audit was announced on February 7, 2001. (T Schraden/(703) 604-9186)

**\*Audit of the DoD Involvement in the Review and Revision of the Commerce Control List and the U.S. Munitions List (D2000LG-0244).** This audit is one of several annual reports to be issued by the IG, DoD, in accordance with the National Defense Authorization Act for FY 2000, section 1402, which requires an annual report on the transfer of military sensitive technologies to countries and entities of concern. The overall objective is to evaluate the role of DoD in reviewing and revising the Commerce Control List and the U.S. Munitions List. Specifically, we will examine the DoD process for ensuring that U. S. national security objectives are being considered when revisions to the Department of Commerce Control List and the Department of State U.S. Munitions List are made. This audit was announced July 19, 2000. The final report, no. D2001-088 was issued March 23, 2001. (E. Klemstine/(703) 604-9172)

**Audit of the U.S. Export Systems Automation Initiative (D2001LG-0087).** This audit is one of several annual reports to be issued by the IG, DoD, in accordance with the National Defense Authorization Act for FY 2000, section 1402, which requires an annual report on the transfer of militarily sensitive technologies to countries and entities of concern. The overall objective of the audit will be to determine whether the U.S. Export Systems Program Management Office is establishing a common electronic interface to create an automated Federal export licensing system in accordance with Federal policies and regulations. Specifically, the audit will determine whether the Program Management Office ensured that the planned development and acquisition of a Federal export licensing system translates operational requirements into a system solution that balances system cost, implementation schedule, performance, and risk. (E. Klemstine/(703) 604-9172)

**Audit of Quality Deficiency Reporting Procedures for Naval Repair Parts (D2001CF-0090)** The overall audit objective will be to determine whether the Navy and Marine Corps are effectively reporting and tracking deficient repair parts within their commands. Specifically, it will determine whether logistics managers and quality assurance specialists use deficiency reports to purge nonconforming inventory from their depots, screen potentially defective inventory from reentering their depots, and contact contractors associated with the nonconforming parts. (T. McKinney/(703) 604-9215)

**Audit of the F/A-18E/F Integrated Readiness Support Teaming (FIRST) Program (D2001-CF-0100)** The audit is being performed as a follow-on to previous audits of commercial buying practices. The overall objective is to determine whether the cost savings, availability, and reliability data used in the business case analysis prepared by the Naval Air Systems Command supports the decision to award a commercial contract to The Boeing Company for life-cycle support of F/A-18E/F aircraft. This project was announced April 2, 2001. (T. McKinney/(703) 604-9288)

**Audit of DoD Management of the North Atlantic Treaty Organization Security Investment Program (D2001LG-0109)** The objective of the audit is to evaluate DoD oversight and management of the NATO military construction process within the NATO

Security Investment Program (NSIP). It will determine how NSIP requirements are identified, contracted, revalidated, and closed out, and determine whether the DoD executive agent adequately accounts for the DoD portion of the NSIP funds. This project was announced April 19, 2001. (E. Klemstine/(703) 604-9172

## CONSTRUCTION AND INSTALLATION SUPPORT

**\*Defense Base Realignment and Closure Military Construction FY 2000 Budget Data (0CG-P002).** The audit will review the accuracy of the Defense base realignment and closure (BRAC) military construction (MILCON) FY 2000 budget data. The specific objectives will be to determine whether the proposed projects are valid BRAC requirements, whether the decision for construction was supported with required documentation including an economic analysis, and whether the analysis included existing facilities. (W. Million/(703) 604-9312)

**Real Property Maintenance and Repair Backlog (2001-D000CG-0030).** The audit will review the administration of maintenance and repair to DoD facilities. The audit will determine whether facilities maintenance and repair is being accomplished in an economical manner, whether requirements and program performance are being reported accurately, and if internal controls are adequate to assure achievement of the maintenance and repair program objectives. (W. Million/(703) 604-9312)

\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999

## ENVIRONMENT

**\*Base Realignment and Closure (BRAC) Cleanup Acceleration (0CB-P003).** The purpose of this effort is to determine whether DoD is successfully expediting cleanup of contaminated sites at closure bases. The specific objectives are to identify best management approaches for accelerating cleanup, develop improved acceleration metrics, and determine if regulators are supporting and contributing to the acceleration effort. (W. Gallagher/(703) 604-9270)

**\*Audit of DoD Wastewater Treatment Systems (D2000CK-0216).** We will determine whether DoD is accurately and consistently reporting the number of permits and permitted systems covered by the Clean Water Act and the number of systems in compliance with the Act. In addition, we will assess how DoD is managing its resources for wastewater treatment systems. This audit was announced May 17, 2000. The final report, no. D2001-087, was issued March 26, 2001. (J. Doyle/ (703) 604-9348)

**\*Evaluation of the Navy Shipboard Pollution Control Equipment Program (D2000CB-0047).** This evaluation was requested by the House Appropriations Committee to review the effectiveness and cost effectiveness of the Navy's pollution control equipment program for upgrading equipment on Navy ships. Specifically, we will assess the status of progress toward program goals and objectives, and review program costs versus products and services delivered. The final report for this project, no.2001-010 was issued November 14, 2000. (W. Gallagher/(703) 604-9270)

**\*Evaluation of Military Aircraft Accident Investigation and Reporting (D2000CB-0236).** The evaluation is scheduled to begin in July 2000. The Deputy Under Secretary of Defense for Environmental Security requested that we conduct a process review to determine whether the Services have implemented DoD policy for aircraft accident investigation and reporting. We will evaluate the credibility and independence of accident investigation teams, the root cause identification process, the timeliness and factual accuracy of investigation reports, accident recordkeeping, and the implementation of appropriate corrective action. This project was announced July 7, 2000. (W. Gallagher/(703) 604-9270).

\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999

## HEALTH CARE AND MORALE

**\*Audit of the Collection and Reporting of Quality Assurance Data Within the Military Health System (D2000LF-0195).** The audit objective is to evaluate the collection and reporting of quality assurance data within the Military Health System with a focus on the management of events potentially affecting patient safety. Specifically, the audit will cover the occurrence and reporting of such events and how the various quality assurance programs receive and use the information to improve patient safety. This audit was requested by the Assistant Secretary of Defense (Health Affairs). The final report, no. D2001-037, was issued January 29, 2001. (M. Joseph/(757) 766-9108)

**\*Audit of the Procurement Actions Related to the 3.0 Managed Care Support Services Request for Proposal (D2000CK-0269).** This audit is in response to a DoD Hotline referral regarding the 3.0 Managed Care Support Services Request for Proposal. The objective is to determine whether procurement actions and decisions regarding the 3.0 Managed Care Support Services Request for Proposal were proper. This audit was announced August 29, 2000. The final report, no. D2001-125, was issued May 22, 2001. (J. Doyle/(703) 604-9348)

**\*Audit of the Management of the Armed Services Blood Program (0LF-0028).** The objective of this audit is to determine whether the management and administration of the Armed Services Blood Program is adequate to ensure quality blood products are properly handled and controlled during both peacetime and wartime. This project was announced October 20, 1999. The final report, no. D2001-059, was issued February 23, 2001. (B. Brilliant/(703)-604-8875)

**Army Deployable Medical Systems (D2001LF-0040).** This overall audit objective will be to determine whether the Army Deployable Medical Systems (DEPMEDS) are based on the requirements necessary to support the DoD operation plans. This audit is one of a series of ongoing audits of DoD DEPMEDS operations. (M. Joseph/(757) 766-9108)

**Audit of the Military Health System Optimization Initiative (D2001LF-0043).** In December 1999, we began an audit (Project No. 0LF-0115) of the distribution and sharing of DoD health care resources that was cancelled in order to satisfy an audit request from the Secretary of Defense. Since the cancellation of that audit, DoD has expended significant effort toward developing plans to reengineer health care delivery within the Military Health System. This audit will focus on the Military Treatment Facility Optimization Initiative outlined in the Health Care Reengineering Program. We will also review the distribution and sharing of health care resources in catchment areas,

in medical regions, and among Military Departments. This audit was announced October 31, 2000. (M. Joseph/(757) 766-9108)

**Disposition of Allotment Payments to Insurance Companies (D2001LF-0010).** This audit (previously 2001-D000LF-0050), requested by the Under Secretary of Defense (Personnel and Readiness) will evaluate the procedures used by insurance companies for disposing of or returning allotment payments to the military member for canceled or non-existing insurance policies. In addition, we will review Defense Finance and Accounting Service procedures for establishing and canceling allotments to determine if improvements could be made to ensure allotments are paid only for active policies. This audit was announced September 11, 2000. (M. Joseph/(757) 766-9108)

**Evaluation of Overseas Absentee Ballot Handling in DoD (D2001LF-0058).** Our overall objective will be to assess DoD procedures for handling military absentee ballots from overseas. We will evaluate pertinent policy, cancellation and postmarking procedures, whether discrepancies exist between the procedures required by DoD regulations and how those procedures have been implemented, and any impediments to prompt and proper processing. The project was announced December 1, 2000. (M. Joseph/(757) 766-2703.)

**Audit of the Implementation of the Data Quality Management Control Program for the Military Health System (D2001FA-0097)** This audit supports the annual auditing of the DoD Military Retirement Health Benefits Liability as well as the DoD-wide financial statements. The objective of the audit is to determine if Military Treatment Facilities have implemented the Data Quality Management Control Program for the Military Health System. Specifically, the audit will determine whether the policies and procedures described in the November 29, 2000 policy memorandum, "Data Quality Management Control Program," issued by the Assistant Secretary of Defense (Health Affairs) were implemented. This project was announced April 3, 2001. (C. Richardson/(703) 604-9582)

\* indicates audits that were carried over from FY 2000

\*\* indicates audits that were carried over from FY 1999

## OTHER

**Audit of the Transition of Advanced Technology Programs to Military Applications (D2001AB-0105)** The objective will be to determine whether the Military Departments and Defense agencies are successful in transitioning advanced technology programs to military applications. The audit will be conducted in phases with the Army technology programs as the first phase of the audit. This project was announced April 19, 2001. (R. Spencer/(703) 604-9071)



## AUDIT POLICY AND OVERSIGHT

The Inspector General, DoD, has statutory responsibility to provide policy direction for audits performed within DoD and to evaluate the performance of DoD audit organizations, including adherence to audit policies and standards. Additional statutory responsibilities include ensuring appropriate use of non-Federal auditors and their compliance with auditing standards on DoD engagements.

### SUMMARY OF FY 2001 PLANNED PROJECTS

**\*DCAA Participation in Integrated Product Teams (D2000OA-0125).** The objective is to evaluate the DCAA role in Integrated Product Teams of providing real-time feedback during the proposal preparation process by identifying problems and finding potential solutions at the earliest possible point in the procurement process. We will evaluate audit results, monetary benefits, and the DCAA contribution to the overall procurement cycle time reduction. This project was announced December 16, 1999. (W. Berry/(703) 604-8789)

**\*Quality Control Review of the Henry M. Jackson Foundation FY 1998 Office of Management and Budget Circular A-133 Audit (D2000A-0169).** Our office is the cognizant agency for the Henry M. Jackson Foundation, for the fiscal year ended September 30, 1998. The purpose of our review will be to determine if the audit work was performed in accordance with the Office of Management and Budget (OMB) Circular A-133 and applicable auditing standards and regulations. The review will include audit working papers supporting OMB Circular A-133 audit(s) for FY 1998, and support for the continuing professional education completed by individuals who participated in the FY 1998 audit(s). This project was announced April 21, 2000 and the final report, D2001-6-001 issued February 2, 2001. (M. Gordon/(703) 604-8738)

**Internal Audit Oversight and Policy Implementation (D2001OA-0032).** The objective is to provide policy guidance to and oversight of the Department of Defense audit organizations. These organizations include the Service Audit Agencies, and internal audit and review offices of defense agencies and military facilities. Potential projects include Analysis of Audit Coverage Within DoD; Analysis of Risk Assessment Methodologies used by Audit Organizations; and Oversight Review of Selected Internal Audit Review Organizations. (W. Berry/(703) 604-8789)

**Quality Control Reviews of Single Audits (D2001OA-0033).** The objective is to evaluate whether independent auditors (Federal and non-Federal) performed their audits in accordance with applicable standards and the audit requirements of the Single Audit Act and the Office of Management and Budget Circular A-133, "Audits of State, Local

Governments, and Non-Profit Organizations.” Our reviews will focus on the qualitative aspects of the audits at selected independent public accounting firms with emphasis on those entities that have not received recent coverage. (W. Berry/(703) 604-8789)

**Oversight of DoD Contract Audits (D2001OA-0034).** The primary objective is to provide policy guidance and oversight of DoD contract audit activities as required by the IG Act and DoD Directive 7600.2, Audit Policies. Specifically, we will evaluate Defense Contract Audit Agency (DCAA) audit guidance and various management initiatives to ensure they are properly implemented. During audits of individual assignments, we will determine whether the audits are performed in accordance with government auditing standards. Some potential areas of coverage include concurrent auditing, billing system initiative, and management information assurance. This audit was announced July 3, 2000. Sub-project D2000-OA-0238.001 was announced in November 2000. (W. Berry/(703) 604-8789)

**Quality Control Review of Massachusetts Institute of Technology FY 1999 OMB Circular A-133 Audits (D2001OA-0015)** This office is the cognizant agency for the Massachusetts Institute of Technology for the fiscal year ended June 30, 1999. The purpose of our review will be to determine whether the audit work was performed in accordance with the OMB Circular A-133, and applicable auditing standards and regulations. This audit was announced September 15, 2000. (D. Griffin/(703) 604-8705)

**Summary of Audit Coverage Within DoD (D2001OA-0074)** The objective of the review will be to summarize the audit coverage in selected functional areas. The summary will provide the DoD audit community with information to support their planning efforts and provide management with information on the extent of coverage in a particular area. The initial effort will focus on the coverage of weapon system acquisition. (W. Berry/(703) 604-8789)

**Evaluation of DoD Oversight of Contractor Purchasing Systems (D2001OA-0106)** The objective will be to evaluate the overall adequacy of Contractor Purchasing System Reviews performed jointly by the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA). The review will include an evaluation of the use of audit support services and the overall quality and extent of audit services the DCAA provides to the DCMA. This project was announced May 3, 2001. (M. Fusfield/(703) 604-8739)

**Evaluation of Defense Contract Audit Agency (DCAA) Quality Assurance Review of Internal Control Systems Audits (D2001OA-0113)** The overall evaluation objective is to determine whether the DCAA Quality Assurance Program provides reasonable assurance that established policies, procedures, and applicable auditing standards are being followed. Specifically, the evaluation will assess how DCAA selected, staffed, and performed quality assurance reviews of internal control system audits. This project was announced May 1, 2001. (D. Stetler/(703) 604-8737)

**Evaluation of Risk Assessment Procedures for DoD Audits (D2001OA-0122)** The objective of the review will be to identify effective procedures for assessing risk when conducting audits within the DoD. The evaluation will provide the DoD audit community a resource of useful procedures. The initial effort will focus on the risk assessment procedures used by DoD audit activities. However, other government agencies and private organization may be reviewed to identify effective risk assessing procedures outside of DoD. (W. Berry/(703) 604-8789)

**\* indicates audits that were carried over from FY 2000**

**\*\* indicates audits that were carried over from FY 1999**

<b>Appendix A.</b> DoD IG Issue Area Planning and Coordination Groups .....	45
<b>Appendix B.</b> Plan Distribution .....	46

## **Appendix A. DoD IG Issue Area Planning & Coordination Groups**

<b>Group</b>	<b>Representative</b>	<b>Telephone</b>
Acquisition Program	Mary Ugone	(703) 604-9002
Contractor Oversight	Richard Jolliffe	(703) 604-9202
Construction and Installation Support	Wayne Million	(703) 604-9312
Environment	Paul Granetto	(703) 604-9201
Finance and Accounting	F. Jay Lane	(703) 604-9101
Health Care and Other Quality of Life Issues	Michael Joseph	(757) 766-9108
Information Technologies Resources	Wanda Hopkins	(703) 604-9049
Intelligence	Keith West	(703) 604-9893
Logistics	Tilghman Schraden	(703) 604-9186

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## **Appendix B. Plan Distribution**

### **Office of the Secretary of Defense**

Under Secretary of Defense for Acquisition and Technology  
Under Secretary of Defense (Comptroller)/Chief Financial Officer  
Under Secretary of Defense for Personnel and Readiness  
Under Secretary of Defense for Policy  
Assistant Secretary of Defense (Command, Control, Communications & Intelligence)/  
Chief Information Officer  
Assistant Secretary of Defense (Public Affairs)  
Assistant Secretary of Defense (Reserve Affairs)  
Deputy Under Secretary of Defense (Acquisition Reform)  
Director, Acquisition Program Integration  
Director, Defense Procurement  
Director, Program Analysis and Evaluation  
Deputy Comptroller (Program/Budget), Office of the Under Secretary of Defense  
(Comptroller/CFO)  
Deputy CFO, Office of the Under Secretary of Defense (Comptroller/CFO)

### **Department of the Army**

Assistant Secretary of the Army (Financial Management and Comptroller)  
Inspector General, Department of the Army  
Auditor General of the Army  
Inspector General, U.S. Army Materiel Command  
Commander, U. S. Army Criminal Investigative Command

### **Department of the Navy**

Assistant Secretary of the Navy (Financial Management and Comptroller)  
Naval Inspector General  
Marine Corps Inspector General  
Auditor General of the Navy

### **Department of the Air Force**

Assistant Secretary of the Air Force (Financial Management and Comptroller)  
Inspector General of the Air Force

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## **Appendix B. Plan Distribution (Continued)**

### **Department of the Air Force (Continued)**

Auditor General of the Air Force  
Air Force Audit Agency/DO  
Air Force Audit Agency/FD  
Air Force Audit Agency/MS  
Air Force Audit Agency/FS  
Commander, Air Force Materiel Command  
Commander, Air Force Office of Special Investigations  
Inspector General, Air Combat Command  
Inspector General, Air Education and Training Command  
Inspector General, Air Force Materiel Command  
Inspector General, Air Force Reserve Command  
Inspector General, Air Force Special Operations Command  
Inspector General, Air Force Space Command  
Inspector General, Air Mobility Command  
Inspector General, Air National Guard  
Inspector General, Pacific Air Forces  
Inspector General, U.S. Air Forces in Europe

### **Other Defense Organizations**

Director, Defense Contract Audit Agency  
Director, Defense Commissary Agency  
Director, Defense Finance and Accounting Service  
Director, Defense Logistics Agency  
Inspector General, Defense Information Systems Agency  
Inspector General, Defense Intelligence Agency  
Inspector General, Defense Threat Reduction Agency  
Inspector General, Joint Staff  
Inspector General, National Reconnaissance Office  
Inspector General, National Security Agency  
Inspector General, National Imagery and Mapping Agency